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REPORT

DATE ISSUED: February 26, 2007

REPORT NO: HAR 07-006

ATTENTION: Members of the Housing Authority
For the Agenda of March 20, 2007SUBJECT: Preliminary Items Pursuant to Issuing Multifamily Housing Revenue Bonds for
Villa Nueva Apartments (Council District 8)REQUESTED ACTION:

Take the initial steps to issue Housing Authority mortgage revenue bonds to fund the acquisition and rehabilitation of the 390-unit Villa Nueva Apartments. Borrower would acquire and rehabilitate the property and restrict rents below market; issuance of bonds and a proposed Housing Commission loan would require Housing Authority approval at a later date.

STAFF RECOMMENDATION:

- A. Housing Authority approve a bond inducement resolution (a "declaration of official intent") for up to \$45 million in multifamily housing revenue bonds for the acquisition and rehabilitation of the Villa Nueva Apartments by Steadfast Villa Nueva L.P., a limited partnership managed by Steadfast Companies or its affiliate, ("Steadfast") and Casa Familiar ("Casa");
- B. Housing Authority approve an application (and subsequent applications if necessary) to the California Debt Limit Allocation Committee ("CDLAC") for an allocation of authority to issue tax-exempt "private activity bonds" in an amount up to \$45 million for Villa Nueva Apartments; and,
- C. City Council hold a public hearing (*known as a TEFRA hearing - Tax Equity and Fiscal Responsibility Act*) and adopt a resolution approving the issuance of tax-exempt bonds in an amount up to \$45 million by the Housing Authority for Villa Nueva Apartments located at 3604 Beyer Boulevard in the City of San Diego.

BACKGROUND:The Project

Villa Nueva is an existing 390-unit affordable housing development located at 3604 Beyer Boulevard in San Ysidro. The project was built in 1970 and consists of 32 buildings on 14 acres. Villa Nueva contains 90 two-bedroom units, 264 three-bedroom units, 36 four-bedroom units, and 406 on-site parking spaces. Amenities include coin laundry facilities, 5 tot lots, a lighted basketball court, a recreation room with kitchen, and an on-site daycare center. See Attachment 1 for a location map.

Villa Nueva has been owned and operated for over 35 years by Villa Nueva Inc., a non-profit organization established by the Order of St. Augustine of the Catholic Church. The project has a project-based Section 8 contract that expires as of June 30, 2007, but is subject to annual renewal with the Department of Housing and Urban Development ("HUD"). In addition, the project has a HUD-insured mortgage that matures in October 2010. Without the involvement of the Housing Commission and the Housing Authority, it is possible that Villa Nueva would convert to market rental rates after October 2010. Further, should the property convert to market, the 264-three bedroom and 36-four bedroom units could not be replaced. This would have a dramatic negative impact on the community. Given its age, the

property is also in need of a significant amount of work to provide for a lengthy extension of its useful life. As part of the proposed transaction, over \$49,000 per unit will be invested in the property to achieve this goal. The proposed purchase price is \$41.5 million.

Housing Affordability

Under the proposed financing, Villa Nueva would restrict 10% of its units at 50% Area Median Income (AMI) (\$34,500 for a family of four), with the remaining 90% restricted at 60% (AMI) (\$41,400 for a family of four). In addition to the set-asides noted above, as part of the proposed transaction, a 20-year HAP contract will be obtained from HUD, assuring that the property remains affordable to the lowest income residents. Three units will be reserved for on-site managers and will not be occupancy restricted.

Type	AMI	Number of Units	Restricted Rent (no tenant paid utilities)	Market Rate	Monthly Savings per unit
Two Bedroom	50% AMI	9	\$776	\$1,050	\$274
Two Bedroom	60% AMI	81	\$931	\$1,050	\$119
Three Bedroom	50% AMI	26	\$863	\$1,200	\$337
Three Bedroom	60% AMI	238*	\$1,035	\$1,200	\$165
Four Bedroom	50% AMI	4	\$931	\$1,400	\$469
Four Bedroom	60% AMI	36	\$1,118	\$1,400	\$282
Total		390			\$71,037
Total Annual Savings					\$852,444

* Includes three managers' units.

Development Team

The project will be owned and operated by Steadfast Villa Nueva L.P., a single asset entity consisting of Steadfast, Casa, and a tax credit equity investor. Steadfast completed its first affordable multifamily deal in 1995 and has since been involved in the development, acquisition, refurbishment and/or management of over 20,000 multifamily residential units, more than 15,000 of which it currently has an ownership interest in and/or operates. The majority of Steadfast's portfolio is comprised of projects that are partially or entirely designated as affordable housing.

A majority of these properties have been financed with tax-exempt municipal-bonds and Low Income Housing Tax Credits ("LIHTC"), with the assistance of private-sector funding and conventional financing as needed. Steadfast's extensive experience in mixed-finance includes many transactions involving HUD loans or subsidies, project-based and voucher Section 8, IRP decoupling, Mark-up-to-Market, and city and county loans and grants.

Casa is a community-based, 501(c)(3) tax-exempt organization incorporated in the State of California in 1973. Casa was originally organized in 1968 under the name of Trabajadores de la Raza, San Diego Chapter, to serve Spanish-speaking monolingual clients in the community of San Ysidro. Since its inception, Casa's services and target population have expanded to include all of South San Diego's population. Casa offers over fifty programs spanning the program areas of human services, community development, recreation services, technology, arts and culture and education.

Casa also serves as the managing general partner of seven affordable housing rental developments totaling 1,035 units. In addition to the projects that Casa owns, it manages and operates two large

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community facilities that are leased to it for \$1/year by the City of San Diego. Casa runs a multitude of programs out of these seven facilities. Developer Disclosure Statements for Steadfast and Casa are included as Attachments 2 and 3.

Proposed Housing Bonds

The Housing Commission utilizes the Housing Authority's tax-exempt borrowing status to pass on lower interest rate financing (and make federal tax credits available) to developers of affordable housing. The Housing Authority's ability to issue bonds is limited under the U.S. Internal Revenue Code. To issue bonds for a project, the Housing Authority must first submit an application to CDLAC for a bond allocation. Prior to submitting applications to CDLAC, projects are brought before the Housing Commission, Housing Authority, and City Council. Housing Authority bond inducement resolutions must be obtained prior to application submittal and City Council TEFRA resolutions must be secured no later than 30 days after application submittal. These actions do not obligate the Housing Authority to issue bonds

It is anticipated that the project will receive a bond allocation at CDLAC's May meeting; however, if necessary, staff will submit additional applications to CDLAC during 2007 to secure a bond allocation for the project. A general description of the Multifamily Bond Program and the actions that must be taken by the Housing Authority and by the City Council to initiate and finalize proposed financings are described in Attachment 4.

The \$45 million allocation that will be sought from CDLAC is approximately 20% higher than the amount for which the project is currently being underwritten (\$35.6 million). The developer has requested this cushion to account for possible increases in the bond amount due to increases in construction costs or decreases in the assumed interest rate. The bond amount that is ultimately issued will be based upon project costs, revenues, and interest rates at the time of bond issuance.

The total development cost of the project is estimated to be approximately \$71 million. Preliminary sources of funding are summarized in the following table:

Proposed Permanent Financing Sources	
Housing Revenue Bonds	\$35,600,000
Federal Tax Credits	\$21,300,000
SDHC Loan*	\$9,600,000
Construction Period Income	\$4,000,000
Deferred Developer Fee	\$500,000
Total	\$71,000,000

*Developer request for \$9.6 million is currently being analyzed by staff.

The developer currently proposes to issue the bonds through a private placement. The bonds would meet all the requirements of the Housing Commission's Multifamily Housing Revenue Bond Program policy and would fully comply with the City's ordinance on bond disclosure.

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FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions do not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On February 20, 2007, an informational item was presented to the San Ysidro Planning and Development Group on the proposed acquisition and rehabilitation of the project. In addition, the development team is working with residents to minimize the impacts of the proposed project.

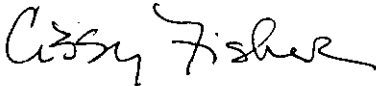
ENVIRONMENTAL REVIEW:

This project is categorically excluded from the requirements of the National Environmental Policy Act (NEPA) pursuant to the applicable provisions of NEPA 24CFR Part 58, Section 58.35(a)(3)(ii). The project is also categorically exempt from the provisions of the California Environment Quality Act (CEQA) pursuant to section 15301 of the CEQA guidelines.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very low and low income families who currently reside at Villa Nueva are stakeholders. Steadfast and Casa will acquire and rehabilitate the project. The seller of the property is Villa Nueva Inc., a non-profit organization established by the Order of St. Augustine of the Catholic Church. The tax credit investor and mortgage lender(s) have not yet been selected. The Housing Commission has selected Public Financial Management and Quint and Thimmig LLP to assist in preparing the proposed financing.

Respectfully submitted,



Cissy Fisher
Director of Housing Finance & Development

Approved by,



for Elizabeth C. Morris
President & Chief Executive Officer

Attachments:

1. Location Map
2. Steadfast Developer Disclosure Statement*
3. Casa Familiar Developer Disclosure Statement*
4. Multifamily Bond Program Summary

*Distribution of these attachments may be limited. Copies available for review during business hours at the Housing Commission offices at 1625 Newton Avenue.

Attachment 1: Location Map



Site Address: 3604 Beyer Boulevard



ATTACHMENT 2

DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/
 ENTITY SEEKING GRANT/BORROWERS
 (Collectively referred to as "CONTRACTOR" herein)
 STATEMENT FOR PUBLIC DISCLOSURE

1. Name of CONTRACTOR: *Steadfast Villa Nueva, L.P.*

Please note that the Contractor is a single-purpose, newly formed entity consisting of general partners Steadfast VNA, LLC, Casa Familiar, Inc. and limited partner Beacon Bay Holdings, LLC. Beacon Bay Holdings, LLC will be replaced once a tax credit investor is selected, however it will remain the Guarantor entity for this project.

Responses on this form apply to both Steadfast Villa Nueva, L.P. and Beacon Bay Holdings, LLC, while responses for Casa Familiar, Inc. have been completed on a separate Attachment E form.

The General Contractor for the rehabilitation will be Pacific Coast Land & Construction, Inc.

2. Address and Zip Code: *4343 Von Karman Avenue, Suite 300
 Newport Beach, CA 92660*

3. Telephone Number: *(949) 852-0700*

4. Name of Principal Contact for CONTRACTOR:

*Steadfast Villa Nueva, L.P. – R. Kyle Winning
 Beacon Bay Holdings, LLC – Dinesh Davar*

5. Federal Identification Number or Social Security Number of CONTRACTOR:

*Steadfast Villa Nueva, L.P. – 20-8212809
 Beacon Bay Holdings, LLC – 33-0764429*

6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as:

☐ A corporation (Attach Articles of Incorporation)

☐ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

☒ A partnership known as: *Steadfast Villa Nueva, L.P.*
 (Name)

Check one

☐ General Partnership (Attach statement of General Partnership)

☒ Limited Partnership (Attach Certificate of Limited Partnership)

☐ A business association or a joint venture known as:
 _____ (Attach joint venture or business association agreement)

☐ A Federal, State or local government or instrumentality thereof.

☒ Other (explain) - *Beacon Bay Holdings, LLC is a limited liability company (please see attached Certificate of Formation)*

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7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:

Steadfast Villa Nueva, L.P. - 12/5/06
Beacon Bay Holdings, LLC - 6/17/97

8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:

- a. If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock. - *N/A*
- b. If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body. - *N/A*
- c. If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.

Name, Address and Zip Code	Position Title (if any) and percent of interest or description of character and extent of interest	
Current ownership structure of Steadfast Villa Nueva, L.P.:		
<i>Casa Familiar, Inc.</i> <i>119 West Hall Avenue</i> <i>San Ysidro, CA 92173</i> <i>(619) 428-1115</i>	<i>Managing General Partner</i>	<i>0.05%</i>
<i>Steadfast VNA, LLC</i> <i>4343 Von Karman Avenue</i> <i>Newport Beach, CA 92660</i> <i>(949) 852-0700</i>	<i>Co-General Partner</i>	<i>0.05%</i>
<i>Beacon Bay Holdings, LLC</i> <i>4343 Von Karman Avenue</i> <i>Newport Beach, CA 92660</i> <i>(949) 852-0700</i>	<i>Limited Partner</i>	<i>99.99%</i>

- d. If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest. - *N/A*
- e. If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

Name, Address and Zip Code	percent of interest or description of character and extent of interest	
Current ownership structure of Beacon Bay Holdings, LLC:		
<i>Rodney F. Emery</i> <i>4343 Von Karman Avenue, Suite 300</i> <i>Newport Beach, CA 92660</i> <i>(949) 852-0700</i>	<i>Manager</i>	<i>90%</i>
<i>Dinesh Davar</i> <i>4343 Von Karman Avenue, Suite 300</i> <i>Newport Beach, CA 92660</i>	<i>Manager</i>	<i>10%</i>

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(949) 852-0700

9. Has the makeup as set forth in Item 8(a) through 8(e) changed within the last twelve (12) months. If yes, please explain in detail.

Steadfast Villa Nueva, L.P. – No
Beacon Bay Holdings, LLC – No

10. Is it anticipated that the makeup as set forth in Item 8(a) through 8(e) will change within the next twelve (12) months? If yes, please explain in detail.

Yes, it is possible that the makeup set forth in item 8(e) above will change within the next twelve months. Beacon Bay Holdings, LLC, the limited partner entity, will be replaced once a tax credit investor is selected. Additionally, "Steadfast Villa Nueva, L.P." may be adjusted to better reflect Casa Familiar, Inc.'s participation in the partnership.

11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8 which gives such person or entity more than a computed 10% interest in the CONTRACTOR (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the CONTRACTOR or more than 50% of the stock in the corporation which holds 20% of the stock of the CONTRACTOR):

Name, Address and Zip Code	Position Title (if any and extent of interest)
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None

12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

Dinesh Davar
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
(949) 852-0700

R. Kyle Winning
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
(949) 852-0700

13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of whatever nature. If yes, list each such corporation, firm or business entity by name and address, specify its relationship to the CONTRACTOR, and identify the officers and directors or trustees common to the CONTRACTOR and such other corporation, firm or business entity.

a. *Steadfast Investment Properties*
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
Relationship: Affiliate of Contractor
Officers, Directors or Trustees in Common: Rodney F. Emery*

b. *Pacific Coast Land & Construction, Inc.*
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
Relationship: Affiliate of Contractor; wholly owned subsidiary of Steadfast Investment Properties
Officers, Directors or Trustees in Common: Rodney F. Emery*

c. *Steadfast Management Company, Inc.*
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
Relationship: Affiliate of Contractor; wholly owned subsidiary of Steadfast Investment Properties
Officers, Directors or Trustees in Common: Rodney F. Emery*
**Please note, any Officers, Directors or Trustees listed have a 10% or greater ownership in the affiliated entity.*

14. Provide the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

Please see financial statements for Guarantor entity, Beacon Bay Holdings, LLC dated 12/31/05 and 12/31/06.

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:

The proposed permanent financing plan for the acquisition and rehabilitation of Villa Nueva includes a \$35.6 Million first position 40-year tax-exempt bond loan; a \$21.2 Million equity contribution from the syndication of low-income housing tax credits; and a \$9.6 Million residual receipt loan from the San Diego Housing Commission.

16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

The project will be funded by sources noted in Item 15 above.

- a. In banks/savings and loans:

N/A

- b. By loans from affiliated or associated corporations or firms:

N/A

- c. By sale of readily salable assets/including marketable securities:

<u>Description</u>	<u>Market Value</u>	<u>Mortgages or Liens</u>
<i>None</i>	\$	\$

17. Names and addresses of bank references, and name of contact at each reference:

Please see attached Business & Financial References.

18. Has the CONTRACTOR or any of the CONTRACTOR's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?

☐ Yes ☒ No

If yes, give date, place, and under what name.

19. Has the CONTRACTOR or anyone referred to above as "principals of the CONTRACTOR" been convicted of any felony within the past 10 years? ☐ Yes ☒ No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

20. List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) comparable to size of the proposed project which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

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20. List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) comparable to size of the proposed project which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

Steadfast Villa Nueva, L.P. is a single-purpose, newly formed entity with no involvement in any other transactions.

<u>Type Bond</u>	<u>Project Description</u>	<u>Date of Completion</u>	<u>Amount of Bond</u>	<u>Action on Bond</u>
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Steadfast Villa Nueva, L.P. is a single-purpose, newly formed entity with no history of such undertakings described.
Beacon Bay Holdings, LLC has no history of such undertakings.
Pacific Coast Land & Construction, Inc. has no history of such undertakings described.

21. If the CONTRACTOR, or a parent corporation, a subsidiary, an affiliate, or a principal of the CONTRACTOR is to participate in the development as a construction contractor or builder, provide the following information:

The General Contractor, Pacific Coast Land & Construction, Inc., shares common ownership with some principals of Steadfast Villa Nueva, L.P. and Beacon Bay Holdings, LLC, as indicated below:

- 1. Rodney F. Emery holds a beneficial ownership interest in Steadfast Villa Nueva, L.P., Beacon Bay Holdings, LLC and Pacific Coast Land & Construction, Inc.*
- 2. Dinesh Davar holds a beneficial ownership interest in Steadfast Villa Nueva L.P., Beacon Bay Holdings, LLC and Pacific Coast Land & Construction, Inc.*
- 3. R. Kyle Winning holds a beneficial ownership interest in Steadfast Villa Nueva, L.P. and Pacific Coast Land & Construction, Inc.*
- 4. Ana Marie del Rio holds a beneficial ownership interest in Steadfast Villa Nueva, L.P. and Pacific Coast Land & Construction, Inc.*

- a. Name and addresses of such contractor or builder:

*Pacific Coast Land & Construction, Inc.
 4343 Von Karman Avenue, Suite 300
 Newport Beach, CA 92660*

- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? ☐ Yes ☒ No

If yes, please explain, in detail, each such instance:

- c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years:

Please see attached.

General description of such work:

Please see attached.

- d. Construction contracts or developments now being performed by such contractor or builder:

<u>Identification of Contract or Development</u>	<u>Location</u>	<u>Amount</u>	<u>Date to be Completed</u>
<i>Lexington Green</i>	<i>El Cajon, CA</i>	<i>\$2,757,900</i>	<i>12/31/07 (estimated)</i>

- e. Outstanding construction-contract bids of such contractor or builder:

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
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N/A

22. Provide a detailed and complete statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

For details on experience, please see attached information on Pacific Coast Land & Construction, Inc. The General Contractor does not have equipment, as it is handled by the subcontractors.

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), Housing Authority of the City of San Diego ("AUTHORITY") or City of San Diego ("CITY"), to which the accompanying proposal is being made or any officer or employee of the COMMISSION, the AUTHORITY or the CITY who exercises any functions or responsibilities in connection with the carrying out of the project covered by the CONTRACTOR's proposal, have any direct or indirect personal financial interest in the CONTRACTOR or in the proposed contractor? ___ Yes X No

If yes, explain.

24. Statements and other evidence of the CONTRACTOR's qualifications and financial responsibility (other than the financial statement referred to in Item 8) are attached hereto and hereby made a part hereof as follows:

Please see General Contractor's license attached.

25. Is the proposed CONTRACTOR, and/or are any of the proposed subcontractors, currently involved in any construction-related litigation? X Yes ___ No

If yes, explain:

Although Steadfast Villa Nueva, L.P. is not involved in any construction-related litigation, please see details below on a cross-complaint involving Pacific Coast Land & Construction:

A fatal accident occurred at River Run Apartments during repair of some original construction work. The deceased's family sued two contractors involved, who in turn filed a cross-complaint against Pacific Coast Land & Construction (PLC) and Steadfast River Run, LP, the owner. PLC was acting as the owner's construction manager, visiting the site daily, but was not responsible for the project. Dennis Lorton & Associates, the general contractor, and Cowboy Backhoe Service, a subcontractor, were involved and sued; the deceased was an employee of R&G Landscape, which has not been named in the suit. Defense is being handled by our insurance carrier.

26. State the name, address and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following coverages: List the amount of coverage (limits) currently existing in each category:

*Craig Terpstra
Senior Vice President
USI/BMI
29A Technology Drive
Irvine, CA 92618
(949) 790-9204*

- a. General Liability, including Bodily Injury and Property Damage Insurance (Please see attached certificate of insurance showing the amount of coverage and coverage period(s))

Check coverage(s) carried:

- ☒ Comprehensive Form
- ☒ Premises - Operations
- ☒ Explosion and Collapse Hazard
- ☒ Underground Hazard
- ☒ Products/Completed Operations Hazard

- ☒ Contractual Insurance
- ☒ Broad Form Property Damage
- ☒ Independent Contractors
- ☒ Personal Injury

b. Automobile Public Liability/Property Damage [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☒ Comprehensive Form Business Auto Insurance
- ☒ Owned Schedules vehicle in company's name.
- ☒ Hired
- ☒ Non-Owned

c. Workers Compensation (Please see attached certificate of insurance showing the amount of coverage and coverage period(s))

d. Professional Liability (Errors and Omissions) (Please see attached certificate of insurance showing the amount of coverage and coverage period(s))

e. Excess Liability (Please see attached certificate of insurance showing the amount of coverage and coverage period(s))

f. Other (Specify) [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]
None

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the COMMISSION setting forth the provisions of this nondiscrimination clause.
28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.
29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the COMMISSION, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the Commission was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.
30. List all citations, orders to cease and desist, stop work orders, complaints, judgments, fines, and penalties received by or imposed upon CONTRACTOR for safety violations from any and all government entities including but not limited to, the City of San Diego, County of San Diego, the State of California, the United States of America and any and all divisions and departments of said government entities for a period of five (5) years prior to the date of this statement. If none, please so state:

Government Entity
Making Complaint

Date

Resolution

None

31. Has the CONTRACTOR ever been disqualified, removed from or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of law or a safety regulation. If so, please explain the circumstances in detail. If none, please so state:

No

32. Please list all licenses obtained by the CONTRACTOR through the State of California and/or the United States of America, which are required and/or will be utilized by the CONTRACTOR and/or are convenient to the performance of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT, or RENDITION OF SERVICES. State the name of the governmental agency granting the license, type of license, date of grant, and the status of the license, together with a statement as to whether the License has ever been revoked:

Governmental Agency	Description License	License Number	Date Issued (original)	Status (current)	Revocation (yes/no)
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Please see attached license for General Contractor, Pacific Coast Land & Construction, Inc.

33. Describe in detail any and all other facts, factors or conditions that may adversely affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, SALES of Real Property to, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

None

34. Describe in detail, any and all other facts, factors or conditions that may favorably affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

Steadfast and Casa Familiar both have a proud history of successful contract administration that will assure its successful completion of this project.

35. List all CONTRACTS with, DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, SALES of Real Property to, the COMMISSION, AUTHORITY and/or the CITY within the last five (5) years:

Date	Entity Involved (i.e., CITY, COMMISSION, etc.)	Status (Current, delinquent repaid, etc.)	Dollar Amount
------	--	---	------------------

None

36. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, been the subject of a complaint filed with the Contractor's State License Board (CSLB)? ☐ Yes ☒ No

If yes, explain:

The Contractor, Steadfast Villa Nueva, L.P., has not been the subject of such a complaint, as it is not a General Contractor. The General Contractor, Pacific Coast Land & Construction, Inc., has not been the subject of such a complaint.

37. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, had a revocation or suspension of a CONTRACTOR's License?
☐ Yes ☒ No

If yes, explain:

38. List three local references who would be familiar with your previous construction project:

000554

Name: Please refer to attached references

Address: _____

Phone: _____

Project Name and Description: _____

Name: _____

Address: _____

Phone: _____

Project Name and Description: _____

Name: _____

Address: _____

Phone: _____

Project Name and Description: _____

39. Give a brief statement respecting equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.

As the General Contractor, Pacific Coast Land & Construction is responsible for overseeing the rehabilitation of Villa Nueva, which involves obtaining bids from and hiring subcontractors who possess the proper equipment, insurance and licenses appropriate for the project.

40. Give the name and experience of the proposed Construction Superintendent.

Ken Pruett Sr. of Pacific is proposed to oversee the rehabilitation of Villa Nueva on behalf of the General Contractor. Please see his resume attached.

CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

Steadfast Villa Nueva, L.P.

By providing the "Personal Information", (if any) as defined in Section 1798.3(a) of the Civil Code of the State of California (to the extent that it is applicable, if at all), requested herein and by seeking a loan from, a grant from, a contract with, the sale of real estate to, the right to develop from, and/or any and all other entitlements from the SAN DIEGO HOUSING COMMISSION ("COMMISSION"), the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO ("AUTHORITY") and/or the CITY OF SAN DIEGO ("CITY"), the CONTRACTOR consents to the disclosure of any and all "Personal Information" and of any and all other information contained in this Public Disclosure Statement. CONTRACTOR specifically, knowingly and intentionally waives any and all privileges and rights that may exist under State and/or Federal Law relating to the public disclosure of the information contained herein. With respect to "Personal Information", if any, contained herein, the CONTRACTOR, by executing this disclosure statement and providing the information requested, consents to its disclosure pursuant to the provisions of the Information Practices Act of 1977, Civil Code Section 1798.24(b). CONTRACTOR is aware that a disclosure of information contained herein will be made at a public meeting or meetings of the COMMISSION, the AUTHORITY, and/or the CITY at such times as the meetings may be scheduled. CONTRACTOR hereby consents to the disclosure of said "Personal Information", if any, more than thirty (30) days from the date of this statement at the duly scheduled meeting(s) of the COMMISSION, the AUTHORITY and/or the CITY. CONTRACTOR acknowledges that public disclosure of the information contained herein may be made pursuant to the provisions of Civil Code Section 1798.24(d).

CONTRACTOR represents and warrants to the COMMISSION, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information being submitted herein), the information constitutes a "Public Record" subject to disclosure to members of the public in accordance with the provisions of California Government Section 6250 et seq.

CONTRACTOR specifically waives, by the production of the information disclosed herein, any and all rights that CONTRACTOR may have with respect to the information under the provisions of Government Code Section 6254 including its applicable subparagraphs, to the extent of the disclosure herein, as well as all rights of privacy, if any, under the State and Federal Law.

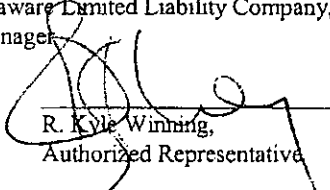
Executed this 16th day of FEBRUARY, 2007, at San Diego, California.

CONTRACTOR

STEADFAST VILLA NUEVA, L.P.,
A California Limited Partnership

By: Steadfast VNA, LLC,
A Delaware Limited Liability Company,
Its Co-General Partner

By: Beacon Bay Holdings, LLC,
A Delaware Limited Liability Company,
Its Manager

By: 
R. Kyle Winning,
Authorized Representative

000556

CERTIFICATION
Steadfast Villa Nueva, L.P.

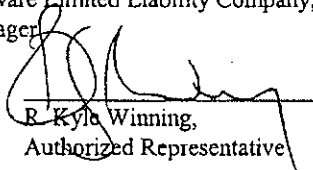
The CONTRACTOR, Steadfast Villa Nueva, L.P., hereby certifies that this CONTRACTOR's Statement for Public Disclosure and the attached information/evidence of the CONTRACTOR's qualifications and financial responsibility, including financial statements, are true and correct to the best of CONTRACTOR's knowledge and belief.

CONTRACTOR

STEADFAST VILLA NUEVA, L.P.,
A California Limited Partnership

By: Steadfast VNA, LLC,
A Delaware Limited Liability Company,
Its Co-General Partner

By: Beacon Bay Holdings, LLC,
A Delaware Limited Liability Company,
Its Manager

By: 
R. Kyle Winning,
Authorized Representative

Dated: 02.15.2007

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

ATTEST:

State of California

County of ORANGE

Subscribed and sworn to before me this 15th day of FEBRUARY, 2007.



Kristine Tsen Lamcheek
Signature of Notary

KRISTINE TSEN LAMCHEEK
Name of Notary

SEAL

State of California
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 1 page(s) was prepared by and in this office from the record on file, of which it purports to be a copy, and that it is full, true and correct.




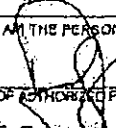
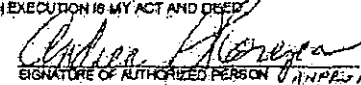
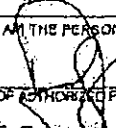
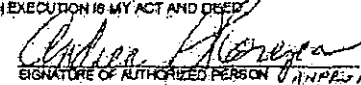
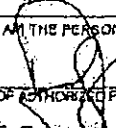
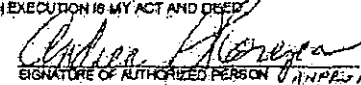
IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

DEC 06 2006

A handwritten signature in cursive script, reading "Bruce McPherson".

BRUCE McPHERSON
Secretary of State

000558

 <p>State of California Secretary of State</p> <p>CERTIFICATE OF LIMITED PARTNERSHIP</p> <p>A \$70.00 filing fee must accompany this form.</p> <p>IMPORTANT - Read Instructions before completing this form.</p>	<p>200684000002 File #</p> <p>ENDORSED - FILED In the office of the Secretary of State of the State of California</p> <p>DEC 05 2006</p> <p><small>This Space For Filing Use Only</small></p>								
<p>ENTITY NAME (Enter the name with the words "Limited Partnership" or the abbreviation "L.P.")</p> <p>1. NAME OF LIMITED PARTNERSHIP Steadfast Villa Nueva, L.P.</p>									
<p>PRINCIPAL EXECUTIVE OFFICE ADDRESS (Do not abbreviate the name of the city. Item 2 cannot be a P.O. Box.)</p> <table style="width: 100%;"> <tr> <td style="width: 50%;">2. STREET ADDRESS 4343 Von Karman Ave., Suite 300</td> <td style="width: 25%;">CITY AND STATE Newport Beach, CA</td> <td style="width: 25%;">ZIP CODE 92660</td> </tr> </table>		2. STREET ADDRESS 4343 Von Karman Ave., Suite 300	CITY AND STATE Newport Beach, CA	ZIP CODE 92660					
2. STREET ADDRESS 4343 Von Karman Ave., Suite 300	CITY AND STATE Newport Beach, CA	ZIP CODE 92660							
<p>COUNTY INFORMATION (Complete Item 3 only if the limited partnership was formed in California prior to July 1, 1984 and has elected to be governed by the California Revised Limited Partnership Act.)</p> <p>3. THE ORIGINAL LIMITED PARTNERSHIP CERTIFICATE WAS RECORDED ON _____ WITH THE RECORDER OF _____ COUNTY. FILE OR RECORDATION NUMBER _____</p>									
<p>AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and both items 4 and 5 must be completed. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1506 and Item 4 must be completed (leave Item 5 blank).)</p> <p>4. NAME OF AGENT FOR SERVICE OF PROCESS Ana Marie del Rio</p> <table style="width: 100%;"> <tr> <td style="width: 50%;">5. IF AN INDIVIDUAL, ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA 4343 Von Karman Ave., Suite 300</td> <td style="width: 25%;">CITY Newport Beach</td> <td style="width: 10%;">STATE CA</td> <td style="width: 15%;">ZIP CODE 92660</td> </tr> </table>		5. IF AN INDIVIDUAL, ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA 4343 Von Karman Ave., Suite 300	CITY Newport Beach	STATE CA	ZIP CODE 92660				
5. IF AN INDIVIDUAL, ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA 4343 Von Karman Ave., Suite 300	CITY Newport Beach	STATE CA	ZIP CODE 92660						
<p>GENERAL PARTNERS (Enter the names and addresses of all of the general partners. Attach additional pages, if necessary.)</p> <table style="width: 100%;"> <tr> <td style="width: 30%;">6a. NAME Casa Familiar, Inc.</td> <td style="width: 30%;">ADDRESS 119 West Hall Avenue</td> <td style="width: 20%;">CITY AND STATE San Ysidro, CA</td> <td style="width: 20%;">ZIP CODE 92173</td> </tr> <tr> <td>6b. NAME Steadfast VNA, LLC</td> <td>ADDRESS 4343 Von Karman Ave., #300</td> <td>CITY AND STATE Newport Beach, CA</td> <td>ZIP CODE 92660</td> </tr> </table>		6a. NAME Casa Familiar, Inc.	ADDRESS 119 West Hall Avenue	CITY AND STATE San Ysidro, CA	ZIP CODE 92173	6b. NAME Steadfast VNA, LLC	ADDRESS 4343 Von Karman Ave., #300	CITY AND STATE Newport Beach, CA	ZIP CODE 92660
6a. NAME Casa Familiar, Inc.	ADDRESS 119 West Hall Avenue	CITY AND STATE San Ysidro, CA	ZIP CODE 92173						
6b. NAME Steadfast VNA, LLC	ADDRESS 4343 Von Karman Ave., #300	CITY AND STATE Newport Beach, CA	ZIP CODE 92660						
<p>GENERAL PARTNER SIGNATORY REQUIREMENTS</p> <p>7. INDICATE THE NUMBER OF GENERAL PARTNERS' SIGNATURES REQUIRED FOR FILING CERTIFICATES OF AMENDMENT, RESTATEMENT, MERGER, DISSOLUTION, CONTINUATION, CANCELLATION AND CONVERSION OR DOCUMENTS CONTAINING A STATEMENT OF CONVERSION. <u>2</u></p>									
<p>ADDITIONAL INFORMATION</p> <p>8. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE PART OF THIS CERTIFICATE.</p>									
<p>EXECUTION</p> <p>9. I, DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED</p> <table style="width: 100%;"> <tr> <td style="width: 50%;">  SIGNATURE OF AUTHORIZED PERSON Rodney F. Entary, Mgr. of Steadfast VNA, LLC, GP TYPE OR PRINT NAME AND TITLE OF AUTHORIZED PERSON </td> <td style="width: 50%;"> 11/30/06 DATE  SIGNATURE OF AUTHORIZED PERSON CARLOS FLORES, INC. TYPE OR PRINT NAME AND TITLE OF AUTHORIZED PERSON </td> </tr> </table>		 SIGNATURE OF AUTHORIZED PERSON Rodney F. Entary, Mgr. of Steadfast VNA, LLC, GP TYPE OR PRINT NAME AND TITLE OF AUTHORIZED PERSON	11/30/06 DATE  SIGNATURE OF AUTHORIZED PERSON CARLOS FLORES, INC. TYPE OR PRINT NAME AND TITLE OF AUTHORIZED PERSON						
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<p>RETURN TO (Enter the name and the address of the person or firm to whom a copy of the filed documents should be returned.)</p> <p>10. NAME Mary Kelly FIRM Steadfast Companies ADDRESS 4343 Von Karman, Suite 300 CITY/STATE/ZIP Newport Beach, CA 92660</p>									
<p>LP-1 (REV 03/2005)</p> <p style="text-align: right;">APPROVED BY SECRETARY OF STATE</p>									

000559

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "BEACON BAY HOLDINGS, LLC" AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF FORMATION, FILED THE SEVENTEENTH DAY OF JUNE, A.D. 1997, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID LIMITED LIABILITY COMPANY.

2763163 8100H

050459188



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3919299

DATE: 06-01-05

2-14

000560

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 06/17/1997
971199676 - 2763163

CERTIFICATE OF FORMATION

OF


BEACON BAY HOLDINGS, LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:

FIRST: The name of the limited liability company (hereinafter called the "limited liability company") is Beacon Bay Holdings, LLC.

SECOND: The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are Paracorp Incorporated, 15 East North Street, Dover, Delaware 19901.

Executed on June 17, 1997.



Pamela K. Knudsen,
Authorized Person

PKKNUDSE 99999 21878 1

STEADFAST RESIDENTIAL PROPERTIES

Business & Financial References

CapMark

402 West Broadway
Suite 400
San Diego, CA 92101

Hal Kurkendall, President

Tel: (619) 615-4201

Fax: (619) 615-4202

E-mail: hkurkendall@newmanfs.com

Description of Service Provided: Lender, Affordable Housing

Length of Relationship: 7 years

Hudson Housing Capital

630 Fifth Avenue
28rd Floor
New York, NY 10111

Sam Ganeshan, Managing Director

Tel: (212) 218-2269

Fax: (212) 218-4467

E-mail: sam.ganeshan@hudson.jer.com

Description of Service Provided: Institutional Equity Provider

Length of Relationship: 8 years

Cox, Castle & Nicholson, LLP

555 Montgomery Street
15th Floor
San Francisco, CA 94111

Steve Ryan, Partner

Tel: (415) 262-5150

Fax: (415) 392-4250

E-mail: sryan@coxcastle.com

Description of Service Provided: Legal Counsel

Length of Relationship: 10 years

000562

East West Bank

475 Huntington Drive
San Marino, CA 91108

Debbie Beveridge, First Vice President
Tel: (626) 583-3552
Fax: (626) 441-3035
E-mail: dbeverid@eastwestbank.com

Description of Service Provided: Lender
Length of Relationship: 4 years

GE Commercial Financial Services / Real Estate

North American Division
1901 Main Street
7th Floor
Irvine, CA 92614

Kevin Tucker
Director, North American Debt
Tel: (949) 477-1521
Fax: (949) 477-0905
E-mail: Kevin.Tucker@gecapital.com

Description of Service Provided: Lender
Length of Relationship: 7 years

Charter Mac Capital

101 California Street
Suite 2075
San Francisco, CA 94111

Pete Nichol
Vice President
Tel: (415) 439-6003
Fax: (415) 439-6019
E-mail: pnichol@chartermac.com

Description of Service Provided: Lender
Length of Relationship: 1 year

000563

Oxnard Housing Authority

435 South D Street
Oxnard, CA 93030

Larry White, Management Analyst, Oxnard Housing Authority

Tel: (805) 385-8235

Fax: (805) 385-7969

E-mail: lwhite@oxnardhousing.org

Description of Service Provided: Housing Authority

Length of Relationship: 6 years

City of Corona, Redevelopment Agency

152 East 6th St, Suite 100
Corona, CA 92879

Scott Whyte, Housing and CDBG Manager

Tel: (909) 736-2466

Fax: (909) 736-2488

Email: Scott.Whyte@ci.corona.ca.us

Description of Service Provided: Housing

Length of Relationship: 3 years

RENOVATION & REMODEL
REHAB SUMMARY (APARTMENTS)

UPDATED: OCTOBER 11, 2006

A	UPDATED: OCTOBER 11, 2006									
JOB	YEAR	PROJECT LOCATION	REHAB	EST.	TOTAL	WORK	BALANCE	%	NUMBER	COST PER
			VALUE	OUT-OF-POCKET	REHAB	COMPLETED	TO	COMPLETED	OF UNITS	UNIT
		(SOLD=PROJECT+# UNITS)		COSTS	VALUE	TODATE	COMPLETE			OF REHAB
		CALIFORNIA PROPERTIES								
	1998	ARBOR PARK - 260	\$ 1,769,749.00	\$ 300,000.00	\$ 2,069,749.00	\$ 2,069,749.00	\$ -	100.00%		\$7,961
1	1998	BROOKHOLLOW	\$ 671,452.00	\$ 125,200.00	\$ 796,652.00	\$ 796,652.00	\$ -	100.00%	188	\$4,238
2	2002	CAMERON PARK	\$ 1,343,000.00	\$ 95,550.00	\$ 1,438,550.00	\$ 1,438,550.00	\$ -	100.00%	158	\$9,105
3	2003	CHANNEL ISLAND, OXNARD, CA.	\$ 1,444,000.00	\$ -	\$ 1,444,000.00	\$ 1,444,000.00	\$ -	100.00%	152	\$9,500
4	2000	CHRISTIENSEN	\$ 1,080,000.00	\$ 110,000.00	\$ 1,190,000.00	\$ 1,190,000.00	\$ -	100.00%	144	\$8,264
5	2001	CIELO VISTA APARTMENTS	\$ 1,108,378.00	\$ 153,122.00	\$ 1,261,500.00	\$ 1,261,500.00	\$ -	100.00%	112	\$11,263
	1997	CREEKSIDE - 304	\$ 306,130.00	\$ -	\$ 306,130.00	\$ 306,130.00	\$ -	100.00%		\$1,007
6		Coventry Heights, Westminister	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	76	\$1,007
7	2000	CYPRESS COVE	\$ 1,808,000.00	\$ 53,000.00	\$ 1,861,000.00	\$ 1,861,000.00	\$ -	100.00%	200	\$9,305
	1999	ELIMA LANI - 216	\$ 300,000.00	\$ 125,000.00	\$ 425,000.00	\$ 425,000.00	\$ -	100.00%		\$1,968
8	1999	FLANDERS POINTE	\$ 203,000.00	\$ -	\$ 203,000.00	\$ 203,000.00	\$ -	100.00%	82	\$2,476
	1998	GREENTREE APTS -147	\$ 181,000.00	\$ -	\$ 181,000.00	\$ 181,000.00	\$ -	100.00%		\$1,231
	1998	HEACOCK PARK - 120	\$ 58,900.00	\$ 55,000.00	\$ 123,900.00	\$ 123,900.00	\$ -	100.00%		\$1,033
9	2003	HIDDEN COVE, BAY POINT, CA.	\$ 880,000.00	\$ 550,000.00	\$ 1,430,000.00	\$ 1,130,000.00	\$ 300,000.00	79.02%	88	\$16,250
10	2001	HILLTOP COMMONS	\$ 2,497,177.00	\$ 720,000.00	\$ 3,217,177.00	\$ 3,217,177.00	\$ -	100.00%	324	\$9,930
11	2001	HOLIDAY MANOR	\$ 2,420,201.00	\$ 78,000.00	\$ 2,420,201.00	\$ 2,420,201.00	\$ -	100.00%	252	\$9,604
	1998	LAKESIDE VILLAGE - 128	\$ 253,500.00	\$ 75,000.00	\$ 328,500.00	\$ 328,500.00	\$ -	100.00%		\$2,566
12	2001	LAKEVIEW TERRACE	\$ 1,163,734.00	\$ 110,000.00	\$ 1,273,734.00	\$ 1,273,734.00	\$ -	100.00%	128	\$9,951
	1996	LIBBY LAKE - 150	\$ 106,000.00	\$ 25,000.00	\$ 131,000.00	\$ 131,000.00	\$ -	100.00%		\$873
	1997	MARIN CLUB -220	\$ -	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ -	100.00%		\$614
13	2004	MARINA HEIGHTS	\$ 3,568,154.00	\$ -	\$ 3,568,154.00	\$ 3,568,154.00	\$ -	100.00%	200	\$17,841
	1996	MEADOWLAND - 346	\$ -	\$ 260,000.00	\$ 260,000.00	\$ 260,000.00	\$ -	100.00%	346	\$751
	1998	MOONLIGHT GARDENS -108	\$ -	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ -	100.00%		\$324
14	1998	NOVA LAPALMA	\$ 1,754,125.00	\$ 48,500.00	\$ 1,802,625.00	\$ 1,802,625.00	\$ -	100.00%	272	\$6,627
15	1999	NOVA PACIFIC VILLAGE	\$ 1,000,000.00	\$ 423,229.00	\$ 1,423,229.00	\$ 1,290,000.00	\$ 133,229.00	90.64%	248	\$5,739
16	1999	NOVA PIERCE PARK+2006	\$ 3,009,600.00	\$ 968,143.00	\$ 3,977,743.00	\$ 3,977,743.00	\$ -	100.00%	430	\$9,251
17	1998	NOVA POINTE 1	\$ 1,513,000.00	\$ 125,000.00	\$ 1,638,000.00	\$ 1,638,000.00	\$ -	100.00%	286	\$5,727
17	1998	NOVA POINTE 2	\$ 500,000.00	\$ -	\$ 500,000.00	\$ 500,000.00	\$ -	100.00%	314	\$1,592
	1997	OCOTILLO - 135	\$ 724,000.00	\$ -	\$ 724,000.00	\$ 724,000.00	\$ -	100.00%		\$5,363
18	2000	ORANGE TREE	\$ -	\$ -	\$ -	\$ -	\$ -	100.00%	80	\$0
19	2003	ORCHARD PARK, BEAUMONT, CA	\$ 1,152,000.00	\$ -	\$ 1,152,000.00	\$ 1,152,000.00	\$ -	100.00%	144	\$8,000
20	2000	PACIFIC PALMS	\$ 1,180,000.00	\$ 91,000.00	\$ 1,271,000.00	\$ 1,271,000.00	\$ -	100.00%	140	\$9,079
	1996	PALM DESERT -66	\$ -	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	100.00%		\$303
	1996	PARK HEIGHTS - 192	\$ -	\$ 440,000.00	\$ 440,000.00	\$ 440,000.00	\$ -	100.00%		\$2,292

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RENOVATION & REMODEL
REHAB SUMMARY (APARTMENTS)
UPDATED: OCTOBER 11, 2006

A	B	C	D	E	F	G	H	I	J	
JOB	YEAR	PROJECT LOCATION	REHAB	EST.	TOTAL	WORK	BALANCE	%	NUMBER	COST PER
			VALUE	OUT-OF-POCKET	REHAB	COMPLETED	TO	COMPLETED	OF UNITS	UNIT
		(SOLD=PROJECT*# UNITS)		COSTS	VALUE	TODATE	COMPLETE			OF REHAB
21	1998	PARK WEST	\$ 1,593,000.00	\$ 574,000.00	\$ 2,167,000.00	\$ 2,167,000.00	\$ -	100.00%	256	\$8,465
	1998	PEACHTREE -98	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 150,000.00	\$ -	100.00%		\$1,531
22		QUAIL RUN	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!		\$0
23	1998	RIO VISTA + 2005-6	\$ 623,712.00	\$ 901,540.00	\$ 1,525,252.00	\$ 1,525,252.00	\$ -	100.00%	161	\$9,474
24	1999	RIVERCOURT	\$ 1,350,680.00	\$ 235,000.00	\$ 1,585,680.00	\$ 1,585,680.00	\$ -	100.00%	160	\$9,911
	1999	RIVERWOOD -250	\$ 319,070.00	\$ -	\$ 319,070.00	\$ 319,070.00	\$ -	100.00%		\$1,276
	19997	SCENIC VIEW - 156	\$ 80,000.00	\$ -	\$ 80,000.00	\$ 80,000.00	\$ -	100.00%		\$513
	1999	SIENNA POINTE - 384	\$ 650,000.00	\$ -	\$ 650,000.00	\$ 650,000.00	\$ -	100.00%		\$1,693
25	2005	Sierra Village,N. Highland,Ca.	\$ 844,266.00	\$ 255,734.00	\$ 1,100,000.00	\$ 1,100,000.00	\$ -	100.00%	185	\$5,946
	1998	SUNSET VILLAS - 406	\$ 1,090,000.00	\$ 385,000.00	\$ 1,475,000.00	\$ 1,475,000.00	\$ -	100.00%		\$3,633
26	1997	SYCAMORE RIDGE 1	\$ 839,000.00	\$ 125,000.00	\$ 964,000.00	\$ 964,000.00	\$ -	100.00%	116	\$8,310
27	1998	SYCAMORE RIDGE 2 + 2005	\$ 647,243.00	\$ 411,753.00	\$ 1,058,996.00	\$ 1,058,996.00	\$ -	100.00%	44	\$24,068
	1998	THE PLAZA - 155	\$ 130,000.00	\$ -	\$ 130,000.00	\$ 130,000.00	\$ -	100.00%		\$839
28	2005	VILLA DEL SOL	\$ 2,134,424.00	\$ -	\$ 2,134,424.00	\$ 2,134,424.00	\$ -	100.00%	103	\$20,723
29	1997	VILLAGE GREEN	\$ 1,046,067.00	\$ -	\$ 1,046,067.00	\$ 1,046,067.00	\$ -	100.00%	184	\$5,685
	1998	VIRGINIA VILLAGE - 144	\$ 300,000.00	\$ 60,000.00	\$ 360,000.00	\$ 360,000.00	\$ -	100.00%		\$2,500
		TOTAL FOR CALIF. =	\$ 43,802,562.00	\$ 8,068,771.00	\$ 51,793,333.00	\$ 51,360,104.00	\$ 433,229.00	#DIV/0!	5,573	\$ 295,599.86
		ARIZONA PROPERTIES								
30		Sr Cottages @ Apache Junction	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	92	\$0
		COLORADO PROPERTIES								
31		Saddle Ridge, Aurora, Co.	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	320	\$0
32		Orchard Hill Sr.,Thorton,Co.	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	88	\$0
33		The Wimfield, Colorado Springs	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	160	\$0
		IDAHO PROPERTIES								
		NEW MEXICO PROPERTIES								
34		Santa Teresa, in Santa Teresa	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	321	\$0
35		Ventana del Vida,Santa Fe	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	120	\$0
		TEXAS PROPERTIES								
36		The Crossing, Austin	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	240	\$0
		TOTAL =	\$ 43,802,562.00	\$ 8,068,771.00	\$ 51,793,333.00	\$ 51,360,104.00	\$ 433,229.00	#DIV/0!	6,914	\$ 295,599.86

NOTE:
BOLD LETTERS = SOLD PROJECTS

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2-20

RENOVATION & REMODEL
REHAB SUMMARY (APARTMENTS)

UPDATED: OCTOBER 11, 2006

A		B	C	D	E	F	G	H	I	J
JOB	YEAR	PROJECT LOCATION	REHAB	EST.	TOTAL	WORK	BALANCE	%	NUMBER	COST PER
			VALUE	OUT-OF-POCKET	REHAB	COMPLETED	TO	COMPLETED	OF UNITS	UNIT
		(SOLD=PROJECT+# UNITS)		COSTS	VALUE	TODATE	COMPLETE			OF REHAB

000566

2-21

UPDATED: OCTOBER 11, 2006

UPDATED: OCTOBER 11, 2006

garage/podium slab
units

2-22

Question 21(c) of Attachment E,
Developer Disclosure Statement

c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years:

Over \$14.6 MM in rehabilitation and construction costs spent on 4 multifamily projects has been incurred by Pacific Coast Land & Construction, Inc. in the past 3 years. Since inception, the General Contractor has experience in nearly 40 projects totaling over \$128 MM in development and rehabilitation costs.

General description of such work:

Marina Heights Apartments

Location: Pittsburg, CA
 Units: 200
 Type: Multi-family, affordable
 Work Performed: Rehabilitation of unit interiors, exteriors, pool and community center
 Owner: Steadfast Marina Heights, L.P.
 4343 Von Karman Avenue, Suite 300
 Newport Beach, CA 92660
 Bonding: None
 Contract Amount: \$3,568,154
 Commencement: 2004
 Completion: 2004
 Change Orders: None impacting the contract amount
 Litigation: None related to the rehabilitation.

Deer Valley Gardens

Location: Sun City West, AZ
 Units: 164
 Type: Senior, affordable
 Work Performed: Development of apartment buildings, landscaping, pool and community center
 Owner: Steadfast LB Deer Valley, L.P.
 4343 Von Karman Avenue, Suite 300
 Newport Beach, CA 92660
 Bonding: None
 Contract Amount: \$7,821,130
 Commencement: 2004
 Completion: 2004
 Change Orders: None impacting the contract amount
 Litigation: None

000570

Sierra Village Apartments

Location: N. Highland, CA
Units: 185
Type: Market rate
Work Performed: Over \$5,900 per unit in rehabilitation
Owner: Steadfast Sierra Village, L.P.*
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
Bonding: None
Contract Amount: \$1,100,000
Commencement: 2005
Completion: 2005
Change Orders: None impacting the contract amount
Litigation: None

*Note: This entity was the owner until it was sold in October 2006.

Villa del Sol Apartments

Location: Pittsburg, CA
Units: 103
Work Performed: Over \$20,000 per unit in rehabilitation
Owner: Steadfast Villa del Sol, L.P.
4343 Von Karman Avenue, Suite 300
Newport Beach, CA 92660
Bonding: None
Contract Amount: \$2,571,958
Commencement: 2005
Completion: 2005
Change Orders: None impacting the contract amount
Litigation: None

PACIFIC COAST LAND & CONSTRUCTION COMPANY, INC.

Established by Rodney F. Emery in November 1997 as an affiliate of Steadfast Companies, Pacific Coast Land & Construction Company, Inc. ("Pacific Coast") has a versatile and seasoned staff with the expertise to meet all of Steadfast's diverse construction goals. Mr. Emery serves as President of Pacific Coast, bringing over 25 years of experience as President of firms responsible for the construction, development and management of over 10,000,000 square feet of industrial, office, hotel and apartment property. Senior Vice President Ken Pruett Sr., is responsible for all new construction and rehabilitation projects for the company's multifamily, commercial industrial and resort divisions.

The team's multifamily projects include a combination of rehabilitation of aging apartment communities and new construction development, with construction costs totaling well over \$120,000,000. In the past 10 years, Pacific Coast has completed over \$78,000,000 in rehabilitation on 47 properties. Mr. Pruett offers 40 years of extensive involvement in all phases of residential and commercial construction. The Pacific Coast team has a strong foundation built on over 75 years of combined experience in residential and commercial construction projects.

Pacific Coast's multifamily new construction experience consists of three affordable properties. Civic Plaza Apartments, a mixed-use development in Boise, ID, is made up of 299 multifamily units, 25,300 sq. ft. of retail space, a 5,000 sq. ft. leasing office/amenity center and a 424-space parking garage. Civic residents enjoy amenities such as a state of the art fitness center, high speed internet and garage parking. River Run Apartments, located in Corona, CA property, offers 360 senior units available to low income residents 55 years and older. This apartment community has lushly landscaped grounds, a clubhouse with entertainment lounge and gated entry. Deer Valley Gardens in Sun City West, AZ is the team's most recent project. This 164 unit property is a 100% affordable deal featuring amenities such as a pool, laundry facilities, business center, and community room. Overall, these new development costs amount to \$41,000,000.

LICENSES HELD: California B General Building Contractor License #742484

000572

PACIFIC COAST LAND & CONSTRUCTION COMPANY, INC.

PROFESSIONAL ADVISORS/REFERENCES:

ATTORNEY: Steve Ryan
Cox, Castle & Nicholson
5555 Montgomery Street
San Francisco, CA 94111
(415) 262-5150

ACCOUNTANT: Hausmaninger, Benoe Lang & Alford
Roger Alford, Partner
19600 Fairchild, Suite 250
Irvine, CA 92715
(714) 833-2815

BANKING/TRADE: Millicent Washington
Manufacturers Bank
1301 Dove Street
Newport Beach, CA 92660
(949) 253-5624

May Lin Tan
China Trust Bank
726 East Valley Bank
Alhambra, CA 91801
(714) 223-6216

Craig Terpstra
USI of Southern California Insurance Agency
29A Technology Drive
Irvine, CA 92618
(800) 397-1656

000573



State of California
CONTRACTORS STATE LICENSE BOARD
ACTIVE LICENSE



License Number **742484**

Entity **CORP**

Business Name **PACIFIC COAST LAND &
CONSTRUCTION INC**

Classification(s) **B**

Expiration Date **11/30/2005**



California Home

Monday, November 20, 2006

**License Detail**
Contractor License # 742484

CALIFORNIA CONTRACTORS STATE LICENSE BOARD

DISCLAIMER

A license status check provides information taken from the CSLB license data base. Before relying on this information, you should be aware of the following limitations:

- CSLB complaint disclosure is restricted by law (B&P 7124.6). If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.
- Per B&P 7071.17, only construction related civil judgments reported to the CSLB are disclosed.
- Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- Due to workload, there may be relevant information that has not yet been entered onto the Board's license data base.

Extract Date: 11/20/2006

***** Business Information *****

PACIFIC COAST LAND & CONSTRUCTION INC
4343 VON KARMAN AVE
NEWPORT BEACH, CA 92660
Business Phone Number: (949) 852-0700

Entity: Corporation
Issue Date: 11/10/1997 Expire Date: 11/30/2007

***** License Status *****

This license is current and active. All information below should be reviewed.

***** Classifications *****

Class	Description
B	GENERAL BUILDING CONTRACTOR

***** Bonding Information *****

CONTRACTOR'S BOND: This license filed Contractor's Bond number 157687 in the amount of \$10,000 with the bonding company

AMERICAN CONTRACTORS INDEMNITY COMPANY.

Effective Date: 01/01/2004

Contractor's Bonding History

BOND OF QUALIFYING INDIVIDUAL(1): The Responsible Managing Officer (RMO) RODNEY FROM EMERY certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required.
Effective Date: 11/10/1997

*** * * Workers Compensation Information * * ***

This license is exempt from having workers compensation insurance; they certified that they have no employees at this time.
Effective Date: 10/01/1997 Expire Date: None

Personnel List

License Number Request

Contractor Name Request

Personnel Name Request

Salesperson Request

Salesperson Name Request

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000576

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YY) 2/6/2007
PRODUCER USI/BMI Insurance Services, Inc. License #0D01809 29A Technology Drive Irvine CA 92618 (949) 790-9286		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Steadfast Villa Nueva, L.P. 4343 Von Karman Avenue Newport Beach CA 92660		INSURERS AFFORDING COVERAGE INSURER A: Firemans Fund Ins Co INSURER B: Zenith Ins Co INSURER C: INSURER D: INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	MXX80858108	5/6/2006	7/1/2007	EACH OCCURRENCE \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/>				FIRE DAMAGE (Any one fire) \$ 100,000
					MED EXP (Any one person) \$ 10,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS <input checked="" type="checkbox"/> Business Automobile	MXX80858108	5/6/2006	7/1/2007	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
A	EXCESS LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 0	XAU00098315369	5/6/2006	7/1/2007	EACH OCCURRENCE \$ 50,000,000
					AGGREGATE \$ 50,000,000
					\$
					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Z068083802	2/1/2007	2/1/2008	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	E.L. EACH ACCIDENT \$ 1,000,000				
	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000				
	E.L. DISEASE - POLICY LIMIT \$ 1,000,000				
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

10 Days Written Notice of Cancellation for Non-Payment of Premium. Named insured to include Steadfast Management Co., Inc.

CERTIFICATE HOLDER

ADDITIONAL INSURED; INSURER LETTER

CANCELLATION

FOR EVIDENCE OF INSURANCE ONLY

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ACORD 25-S (7/97)

LM: LPW v2.1.6 on 2/6/07 - 19:52 by UserName

LP: LPW v2.1.6 on 2/6/07 - 19:52 by UserName

© ACORD CORPORATION 1988
PF v1.0.2

2-30

000577

ACORD CERTIFICATE OF LIABILITY INSURANCE		OP ID PL PACIF-1	DATE (MM/DD/YYYY) 02/06/07
PRODUCER BMI Insurance Services, Inc. 29A Technology Drive Irvine CA 92618 Phone: 949-790-9200 Fax: 949-790-6222		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED PACIFIC COAST LAND & CONSTRUCTION, INC. 4343 Von Karman Ave. Newport Beach CA 92660-1797		INSURERS AFFORDING COVERAGE	NAIC #
		INSURER A: Mount Hawley Insurance	
		INSURER B: Fireman's Fund Insurance Co.	
		INSURER C: The Zenith Insurance Company	
		INSURER D:	
		INSURER E:	

COVERAGES

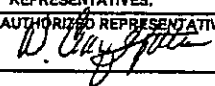
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	MGL0147421	07/01/06	07/01/07	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
B X	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$0	XAU00098315369	05/06/06	07/01/07	EACH OCCURRENCE \$ 50,000,000 AGGREGATE \$ 50,000,000 \$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	Z068083802	02/01/07	02/01/08	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 *10 Days Written Notice of Cancellation for Non-Payment of Premium.
 ALL OPERATIONS OF THE NAMED INSURED.

CERTIFICATE HOLDER

CANCELLATION

STEADFA FOR EVIDENCE OF INSURANCE ONLY	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 
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**KENNETH L. PRUETT
RESUME**

**BUSINESS
EXPERIENCE:**

STEADFAST COMPANIES 1998 - Present

PACIFIC COAST LAND & CONSTRUCTION CO. INC.

Senior Vice President, Construction

Responsible for rehab and all phases of construction of the various multi-family projects.

BAY APARTMENT COMMUNITIES 1997 - 1998

Project Manager

Opened new office for this major real estate investment trust company for the Southern California Region. Completed five projects with Bay.

THE LAW COMPANY 1991 - 1997

Project Manager

Total responsibility for control of commercial projects ranging in size up to 6 stories and 22 million dollars. Handled one to three projects simultaneously.

ROSEWOOD PROPERTY COMPANY 1990 - 1991

Senior Vice President - Eastern Division

Responsible for standardizing construction operations for offices in four states, including reporting systems, all methods and formats, and approval of all budgets.

POLYGON 2000, INC. 1990

Vice President of Construction

Responsible for organizing and execution of all construction activities for the states of Washington and Oregon. Recruited personnel, implemented new programs and systems including field operation guidelines; training program and cost controls.

PROPERTY COMPANY OF AMERICA 1984 - 1989

Director of Construction Operations

Responsible for creating and implementing a construction operation capable of handling residential and commercial projects. Assisted and supported the development partners' efforts for any given project

THE LAW COMPANY 1973 - 1984

Senior Vice President and Manager of Construction Operations

Responsible for all field activities and supervision of project managers, superintendents and construction yard operations. Since assuming this position in 1978, the company climbed in volume and is now among the top 150 commercial builders and the top 50 multi-family contractors in the county.

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BECKER BROTHERS

1964 - 1973

Vice President

Progressed from field engineer to field supervision – quantity takeoff estimating and project management. Involved with a large variety of multi-family, commercial construction and nine housing projects for the elderly (5-11 story buildings). Promoted to Vice President in 1970. (1964-1973).

EDUCATION:

B.S. Building Construction Engineering and Technology
Bradley University, Peoria, Illinois – 1961

U.S. Army Engineer Corps – Surveyors School – 1961

ATTACHMENT 3

DEVELOPERS/CONSULTANTS/SELLERS/CONTRACTORS/
 ENTITY SEEKING GRANT/BORROWERS
 (Collectively referred to as "CONTRACTOR" herein)
 STATEMENT FOR PUBLIC DISCLOSURE

1. Name of CONTRACTOR: *Steadfast Villa Nueva, L.P.*

Please note that the Contractor, Steadfast Villa Nueva, L.P., is a single-purpose, newly formed entity consisting of general partners Steadfast VNA, LLC, Casa Familiar, Inc. and limited partner Beacon Bay Holdings, LLC. Beacon Bay Holdings, LLC will be replaced once a tax credit investor is selected, however it will remain the Guarantor entity for this project.

Responses on this form apply to the Managing General Partner, Casa Familiar, Inc., while responses for Steadfast Villa Nueva, L.P. and Beacon Bay Holdings, LLC have been completed on a separate Attachment E form.

The General Contractor for the rehabilitation will be Pacific Coast Land & Construction, Inc. Any questions pertaining to this entity are answered on the Steadfast Villa Nueva, L.P. and Beacon Bay Holdings, LLC Attachment E form.

2. Address and Zip Code: *119 W. Hall St., San Diego, 92173*

3. Telephone Number: *(619) 428-1115*

4. Name of Principal Contact for CONTRACTOR: *Andrea Skorepa*

5. Federal Identification Number or Social Security Number of CONTRACTOR: *23-7237898*

6. If the CONTRACTOR is not an individual doing business under his own name, the CONTRACTOR has the status indicated below and is organized or operating under the laws of California as:

☐ A corporation (Attach Articles of Incorporation)

☒ A nonprofit or charitable institution or corporation. (Attach copy of Articles of Incorporation and documentary evidence verifying current valid nonprofit or charitable status).

☐ A partnership known as: _____
 (Name)

Check one

☐ General Partnership (Attach statement of General Partnership)

☐ Limited Partnership (Attach Certificate of Limited Partnership)

☐ A business association or a joint venture known as:

_____ (Attach joint venture or business association agreement)

___ A Federal, State or local government or instrumentality thereof.

___ Other (explain)

7. If the CONTRACTOR is not an individual or a government agency or instrumentality, give date of organization:
1972
8. Provide names, addresses, telephone numbers, title of position (if any) and nature and extent of the interest of the current officers, principal members, shareholders, and investors of the CONTRACTOR, other than a government agency or instrumentality, as set forth below:
- If the CONTRACTOR is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock.
 - If the CONTRACTOR is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
Please refer to the attached list of the Board of Directors
 - If the CONTRACTOR is a partnership, each partner, whether a general or limited, and either the percent of interest or a description of the character and extent of interest.
 - If the CONTRACTOR is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
 - If the CONTRACTOR is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

Name, Address and Zip Code	Position Title (if any) and percent of interest or description of character and extent of interest
-------------------------------	--

(Attach extra sheet if necessary)

None

9. Has the makeup as set forth in Item 8(a) through 8(e) changed within the last twelve (12) months. If yes, please explain in detail.

Yes, two new board members have been added in the last year.

10. Is it anticipated that the makeup as set forth in Item 8(a) through 8(e) will change within the next twelve (12) months? If yes, please explain in detail.

No

11. Provide name, address, telephone number, and nature and extent of interest of each person or entity (not named in response to Item 8) who has a beneficial interest in any of the shareholders or investors named in response to Item 8 which gives such person or entity more than a computed 10% interest in the CONTRACTOR (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the CONTRACTOR or more than 50% of the stock in the corporation which holds 20% of the stock of the CONTRACTOR):

Name, Address and	Position Title (if any and
-------------------	----------------------------

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Zip Code

extent of interest

N/A

12. Names, addresses and telephone numbers (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 8 or Item 11 above:

Please refer to the attached list of the Board of Directors.

13. Is the CONTRACTOR a subsidiary of or affiliated with any other corporation or corporations, any other firm or any other business entity or entities of whatever nature. If yes, list each such corporation, firm or business entity by name and address, specify its relationship to the CONTRACTOR, and identify the officers and directors or trustees common to the CONTRACTOR and such other corporation, firm or business entity.

No

14. Provide the financial condition of the CONTRACTOR as of the date of the statement and for a period of twenty-four (24) months prior to the date of its statement as reflected in the attached financial statements, including, but not necessarily limited to, profit and loss statements and statements of financial position.

Please refer to the audited financials included in this application.

15. If funds for the development/project are to be obtained from sources other than the CONTRACTOR's own funds, provide a statement of the CONTRACTOR's plan for financing the development/project:

The proposed permanent financing plan for the acquisition and rehabilitation of Villa Nueva includes a \$35.6 Million first position 40-year tax-exempt bond loan; a \$21.2 Million equity contribution from the syndication of low-income tax credits; and a \$9.6 Million residual receipt loan from the San Diego Housing Commission.

16. Provide sources and amount of cash available to CONTRACTOR to meet equity requirements of the proposed undertaking:

The project will be funded by sources noted in Item 15 above.

- a. In banks/savings and loans:

N/A

- b. By loans from affiliated or associated corporations or firms:

N/A

- c. By sale of readily salable assets/including marketable securities: N/A

Description

Market Value

Mortgages or Liens

\$

\$

17. Names and addresses of bank references, and name of contact at each reference:

Citibank—Gustavo Bidart II
352 H Street 2nd Floor
Chula Vista, CA 91910
(619) 498-3158 Fax: (619) 498-3161

Union Bank—Robert McNeely
530 B Street Ste 650
San Diego, CA 92101
(619) 230-4919

California Bank and Trust—Linda Buckner
11622 El Camino Real, Ste 200
San Diego, CA 92130
(858) 793-7470 Fax: (858) 793-7438

Bank of America—Angela Lucero
450 B Street, Suite 450
San Diego, CA 92101
(619) 515-5950 Fax: (619) 515-5948

18. Has the CONTRACTOR or any of the CONTRACTOR's officers or principal members, shareholders or investors, or other interested parties been adjudged bankrupt, either voluntary or involuntary, within the past 10 years?
 ___ Yes X No

If yes, give date, place, and under what name.

19. Has the CONTRACTOR or anyone referred to above as "principals of the CONTRACTOR" been convicted of any felony within the past 10 years? ___ Yes X No

If yes, give for each case (1) date, (2) charge, (3) place, (4) court, and (5) action taken. Attach any explanation deemed necessary.

20. List undertakings (including, but not limited to, bid bonds, performance bonds, payment bonds and/or improvement bonds) comparable to size of the proposed project which have been completed by the CONTRACTOR including identification and brief description of each project, date of completion, and amount of bond, whether any legal action has been taken on the bond:

<u>Type Bond</u>	<u>Project Description</u>	<u>Date of Completion</u>	<u>Amount of Bond</u>	<u>Action on Bond</u>
N/A				

21. If the CONTRACTOR, or a parent corporation, a subsidiary, an affiliate, or a principal of the CONTRACTOR is to participate in the development as a construction contractor or builder, provide the following information:

N/A

- a. Name and addresses of such contractor or builder: N/A

- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? ___ Yes ___ No N/A

If yes, please explain, in detail, each such instance:

- c. Total amount of construction or development work performed by such contractor or builder during the last three (3) years:

General description of such work: *N/A*

List each project, including location, nature of work performed, name, address of the owner of the project, bonding companies involved, amount of contract, date of commencement of project, date of completion, state whether any change orders were sought, amount of change orders, was litigation commenced concerning the project, including a designation of where, when and the outcome of the litigation.

N/A

- d. Construction contracts or developments now being performed by such contractor or builder:

<u>Identification of</u> <u>Contract or Development</u>	<u>Location</u>	<u>Amount</u>	<u>Date to be</u> <u>Completed</u>
--	-----------------	---------------	---------------------------------------

N/A

- e. Outstanding construction-contract bids of such contractor or builder:

<u>Awarding Agency</u>	<u>Amount</u>	<u>Date Opened</u>
------------------------	---------------	--------------------

N/A

22. Provide a detailed and complete statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

See attached Developer Qualifications and Technical Capacity.

23. Does any member of the governing body of the San Diego Housing Commission ("COMMISSION"), Housing Authority of the City of San Diego ("AUTHORITY") or City of San Diego ("CITY"), to which the accompanying proposal is being made or any officer or employee of the COMMISSION, the AUTHORITY or the CITY who exercises any functions or responsibilities in connection with the carrying out of the project covered by the CONTRACTOR's proposal, have any direct or indirect personal financial interest in the CONTRACTOR or in the proposed contractor? ☐ Yes ☒ No

If yes, explain.

24. Statements and other evidence of the CONTRACTOR's qualifications and financial responsibility (other than the financial statement referred to in Item 8) are attached hereto and hereby made a part hereof as follows:

None

25. Is the proposed CONTRACTOR, and/or are any of the proposed subcontractors, currently involved in any construction-related litigation? ☐ Yes ☒ No

If yes, explain:

26. State the name, address and telephone numbers of CONTRACTOR's insurance agent(s) and/or companies for the following coverages: List the amount of coverage (limits) currently existing in each category:

- a. General Liability, including Bodily Injury and Property Damage Insurance [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☒ Comprehensive Form
- ☒ Premises - Operations
- ☐ Explosion and Collapse Hazard
- ☐ Underground Hazard
- ☒ Products/Completed Operations Hazard
- ☒ Contractual Insurance
- ☐ Broad Form Property Damage
- ☐ Independent Contractors
- ☒ Personal Injury

- b. Automobile Public Liability/Property Damage [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Check coverage(s) carried:

- ☒ Comprehensive Form
 - ☒ Owned
 - ☒ Hired
 - ☒ Non-Owned
- Business Auto Insurance
Schedules vehicle in company's name.

- c. Workers Compensation [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Attached

- d. Professional Liability (Errors and Omissions) [Attach certificate of insurance showing the amount of coverage and coverage period(s)]

Attached

- e. Excess Liability [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

Attached

- f. Other (Specify) [Attach certificate(s) of insurance showing the amount of coverage and coverage period(s)]

Attached

27. CONTRACTOR warrants and certifies that it will not during the term of the PROJECT, GRANT, LOAN, CONTRACT, DEVELOPMENT and/or RENDITIONS OF SERVICES discriminate against any employee, person, or applicant for employment because of race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, sexual orientation, marital status, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the COMMISSION setting forth the provisions of this nondiscrimination clause.

28. The CONTRACTOR warrants and certifies that it will not without prior written consent of the COMMISSION, engage in any business pursuits that are adverse, hostile or take incompatible positions to the interests of the COMMISSION, during the term of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT and/or RENDITION OF SERVICES.
29. CONTRACTOR warrants and certifies that no member, commissioner, councilperson, officer, or employee of the COMMISSION, the AUTHORITY and/or the CITY, no member of the governing body of the locality in which the PROJECT is situated, no member of the government body in which the Commission was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the assignment of work, has during his or her tenure, or will for one (1) year thereafter, have any interest, direct or indirect, in this PROJECT or the proceeds thereof.
30. List all citations, orders to cease and desist, stop work orders, complaints, judgments, fines, and penalties received by or imposed upon CONTRACTOR for safety violations from any and all government entities including but not limited to, the City of San Diego, County of San Diego, the State of California, the United States of America and any and all divisions and departments of said government entities for a period of five (5) years prior to the date of this statement. If none, please so state:

Government Entity
Making Complaint

Date

Resolution

None

31. Has the CONTRACTOR ever been disqualified, removed from or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of law or a safety regulation. If so, please explain the circumstances in detail. If none, please so state:

No

32. Please list all licenses obtained by the CONTRACTOR through the State of California and/or the United States of America, which are required and/or will be utilized by the CONTRACTOR and/or are convenient to the performance of the PROJECT, DEVELOPMENT, LOAN, GRANT, CONTRACT, or RENDITION OF SERVICES. State the name of the governmental agency granting the license, type of license, date of grant, and the status of the license, together with a statement as to whether the License has ever been revoked:

<u>Governmental Agency</u>	<u>Description License</u>	<u>License Number</u>	<u>Date Issued (original)</u>	<u>Status (current)</u>	<u>Revocation (yes/no)</u>
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None

33. Describe in detail any and all other facts, factors or conditions that may adversely affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, SALES of Real Property to, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

None

34. Describe in detail, any and all other facts, factors or conditions that may favorably affect CONTRACTOR's ability to perform or complete, in a timely manner, or at all, the PROJECT, CONTRACT, DEVELOPMENT, repayment of the LOAN, adherence to the conditions of the GRANT, or performance of consulting or other services under CONTRACT with the COMMISSION.

Casa has a proud history of successful contract administration that will assure its successful completion of this project. Casa has not had any defaults on any prior loans or contracts.

35. List all CONTRACTS with, DEVELOPMENTS for or with, LOANS with, PROJECTS with, GRANTS from, SALES of Real Property to, the COMMISSION, AUTHORITY and/or the CITY within the last five (5) years:

<u>Date</u>	<u>Entity Involved (i.e., CITY, COMMISSION, etc.)</u>	<u>Status (Current, delinquent repaid, etc.)</u>	<u>Dollar Amount</u>
Ongoing	City of San Diego	Existing 212 E. Park Ave. Rec Center Lease(current)	\$1
Ongoing	City of San Diego	Existing 268 E. Park Ave. Comm Ctr. Lease(current)	\$1
	City of San Diego	FY 2001 CDBG Comm. Devl. Services (completed)	\$165,000
	City of San Diego	FY 2002 CDBG Comm. Devl. Services (completed)	\$165,000
	City of San Diego	FY 2003 CDBG Comm. Devl. Services (completed)	\$165,000
05/20/2003	Redevel Agency	Casitas de las Florecitas - O.P.A. (completed)	\$800,000
03/10/2004	Redevel Agency	FY 2004 Comm Devel. Services Agmt (completed)	\$200,000
05/12/2005	Redevel Agency	FY2005 Housing Devel. Serv Agmt. (completed)	\$190,000
	City of San Diego	FY 2002 CDBG Social Service Contract (completed)	\$106,551
	City of San Diego	FY 2003 CDBG Social Service Contract (completed)	\$109,705
	City of San Diego	FY 2004 CDBG Social Service Contract (completed)	\$ 98,824
	City of San Diego	FY 2005 CDBG Social Service Contract (completed)	\$ 84,000
	City of San Diego	FY 2006 CDBG Social Service Contract (completed)	\$ 75,600

36. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, been the subject of a complaint filed with the Contractor's State License Board (CSLB)? ☐ Yes ☒ No

If yes, explain:

N/A, Casa is not a general contractor

37. Within the last five years, has the proposed CONTRACTOR, and/or have any of the proposed subcontractors, had a revocation or suspension of a CONTRACTOR's License?

☐ Yes ☒ No

If yes, explain:

38. List three local references who would be familiar with your previous construction project:

Name: Linda Buckner, California Bank & Trust

Address: 11622 El Camino Real, Ste 200, San Diego, CA 92130

Phone: (858) 793-7470

Project Name and Description: Casitas De Las Floricitas

Name: Swinerton Builders

000589

Address: 17140 Bernardo Center Dr., Ste. 216, SD, CA 92128

Phone: 858-622-4040

Project Name and Description: Casitas De Las Floricitas

Name: _____

Address: _____

Phone: _____

Project Name and Description: _____

39. Give a brief statement respecting equipment, experience, financial capacity and other resources available to the Contractor for the performance of the work involved in the proposed project, specifying particularly the qualifications of the personnel, the nature of the equipment and the general experience of the Contractor.

Please see staff resumes

40. Give the name and experience of the proposed Construction Superintendent.

N/A, Steadfast provided on its accompanying form.

CONSENT TO PUBLIC DISCLOSURE BY CONTRACTOR

Casa Familiar, Inc.

By providing the "Personal Information", (if any) as defined in Section 1798.3(a) of the Civil Code of the State of California (to the extent that it is applicable, if at all), requested herein and by seeking a loan from, a grant from, a contract with, the sale of real estate to, the right to develop from, and/or any and all other entitlements from the SAN DIEGO HOUSING COMMISSION ("COMMISSION"), the HOUSING AUTHORITY OF THE CITY OF SAN DIEGO ("AUTHORITY") and/or the CITY OF SAN DIEGO ("CITY"), the CONTRACTOR consents to the disclosure of any and all "Personal Information" and of any and all other information contained in this Public Disclosure Statement. CONTRACTOR specifically, knowingly and intentionally waives any and all privileges and rights that may exist under State and/or Federal Law relating to the public disclosure of the information contained herein. With respect to "Personal Information", if any, contained herein, the CONTRACTOR, by executing this disclosure statement and providing the information requested, consents to its disclosure pursuant to the provisions of the Information Practices Act of 1977, Civil Code Section 1798.24(b). CONTRACTOR is aware that a disclosure of information contained herein will be made at a public meeting or meetings of the COMMISSION, the AUTHORITY, and/or the CITY at such times as the meetings may be scheduled. CONTRACTOR hereby consents to the disclosure of said "Personal Information", if any, more than thirty (30) days from the date of this statement at the duly scheduled meeting(s) of the COMMISSION, the AUTHORITY and/or the CITY. CONTRACTOR acknowledges that public disclosure of the information contained herein may be made pursuant to the provisions of Civil Code Section 1798.24(d).

CONTRACTOR represents and warrants to the COMMISSION, the AUTHORITY and the CITY that by providing the information requested herein and waiving any and all privileges available under the Evidence Code of the State of California, State and Federal Law, (to the extent of this disclosure that the information being submitted herein), the information constitutes a "Public Record" subject to disclosure to members of the public in accordance with the provisions of California Government Section 6250 et seq.

CONTRACTOR specifically waives, by the production of the information disclosed herein, any and all rights that CONTRACTOR may have with respect to the information under the provisions of Government Code Section 6254 including its applicable subparagraphs, to the extent of the disclosure herein, as well as all rights of privacy, if any, under the State and Federal Law.

Executed this 15 day of February, 2007, at San Diego, California.

CONTRACTOR

STEADFAST VILLA NUEVA, L.P.,
A California Limited Partnership

By: Casa Familiar, Inc.,
A California Corporation,
Its Managing General Partner

By: 
Luz Camacho, Chief Operating Officer

000591

CERTIFICATION

Casa Familiar, Inc.

The CONTRACTOR, Casa Familiar, Inc., hereby certifies that this CONTRACTOR's Statement for Public Disclosure and the attached information/evidence of the CONTRACTOR's qualifications and financial responsibility, including financial statements, are true and correct to the best of CONTRACTOR's knowledge and belief.

By: Russ McDonald
Title: C.O.O.
Dated: 2/15, 2007

By: _____
Title: _____
Dated: _____

WARNING: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious or fraudulent statement or entry, in any matter within the jurisdiction or any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

ATTEST:

State of California

County of San Diego

Subscribed and sworn to before me this _____ day of February, 2007.

Signature of Notary

Name of Notary

SEAL

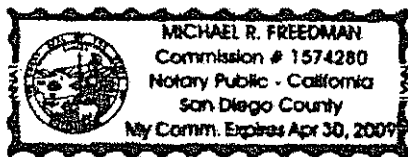
*See loose certificate attached
m. [signature]
2/15/07*

JURAT

State of California

County of San Diego

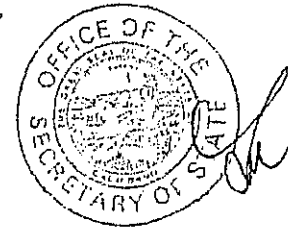
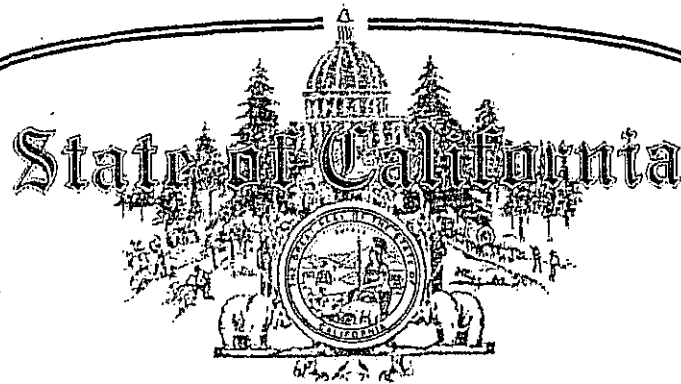
Subscribed and sworn to (or affirmed) before me on

this 14th day of February, 2007,by LUZ CAMACHOpersonally known to me or proved to me on the basis of satisfactory
evidence to be the person(s) who appeared before me.

(seal)

Signature

A handwritten signature in cursive script that reads "Michael R. Freedman".

**SECRETARY OF STATE**

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 4 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

NOV - 4 1999

Bill Jones

Secretary of State

000594

A0533895

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

NOV - 1 1999

BILL JONES, Secretary of State

RESTATED
ARTICLES OF INCORPORATION

OF

CASA FAMILIAR, INC.

The undersigned certify that:

1. They are the president and secretary respectively of CASA FAMILIAR, INC.,
a California corporation.
2. The Articles of Incorporation of this corporation are amended and restated to
read as follows:

I

The name of the corporation is CASA FAMILIAR, INC.

II

This corporation is a nonprofit public benefit corporation and is not organized
for the private gain of any person. It is organized under the Nonprofit Public Benefit
Corporation Law for public and charitable purposes.

III

The primary purposes for this corporation are to promote the general welfare of
the San Diego community by providing family, youth, housing, and other social
services and assisting in the revitalization of the San Diego community by engaging in
community development, economic development, and affordable housing activities.

IV

This corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law. Notwithstanding any other provision of these articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law.

V

This corporation shall exercise all powers conferred upon nonprofit corporations by the Nonprofit Public Benefit Corporation Law of the State of California. Such powers include, but are not limited to, the following powers:

- (a) Issue, purchase, redeem, receive, take or otherwise acquire, own, sell, lend, exchange, transfer, or otherwise dispose of, pledge, use and otherwise deal in and with its own bonds, debentures, notes and debt securities.
- (b) Assume obligations, enter into contracts, including contracts of guarantee or suretyship, incur liabilities, borrow or lend money or otherwise use its credit, and secure any of its obligations, contracts or liabilities by

mortgage, pledge or other encumbrance of all or any part of its property and income.

(c) Participate with others in any partnership, joint venture or other association, transaction or arrangement of any kind whether or not such participation involves the sharing or delegation of control with or to others.

(d) Purchase, own, develop, hold, improve, rehabilitate, use, manage, lease, sell, exchange, convey, mortgage, hypothecate, or encumber real and personal property, or any interest therein.

In all events, however, these powers will be used in furtherance of the corporation's exempt purposes as stated in these Articles of Incorporation. The corporation will not engage in activities which do not substantially further such purposes. Nothing contained in these Articles of Incorporation shall be construed to authorize this corporation to carry on any activity for the profit of, or to distribute any gains, profits or dividends to, officers, directors, or any other person or entity.

VI

(a) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code of 1986, and this corporation shall not participate in or intervene in (including publishing or distributing statements) in any political campaign on behalf of any candidate for public office, except as otherwise provided in Section 501(h) of the Internal Revenue Code of 1986.

(b) All corporate property is irrevocably dedicated to the charitable and educational purposes meeting the requirements for exemption provided by Section 214

of the California Revenue And Taxation Code. No part of the net earnings of this corporation shall inure to the benefit of any of its directors, trustees, officers, private shareholders or members, or to individuals.

(c) On the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations, and liabilities of the corporation, the remaining assets of this corporation shall be distributed to such organization (or organizations) organized and operated exclusively for charitable purposes, which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law) and which has established its tax-exempt status under Section 23701d of the California Revenue and Taxation Code (or the corresponding section of any future California revenue and tax law.)

VII

This corporation shall have no members.

VIII

The principal place or office for the transaction of business of this corporation is located in San Diego County, California.

IX

If this corporation holds any assets in trust, such assets shall be disposed of in such a manner as may be directed by decree of the Superior Court of the County in which this corporation's principal office is located, upon petition therefor by the Attorney General, or by any person concerned in the liquidation.

CASA FAMILIAR BOARD OF DIRECTORS

BOARD OFFICERS

CHAIRMAN

Gustavo A. Bidart II
Vice President – Community Relations
Citibank
325 "H" Street
Chula Vista, CA 91910
(619) 498-3158

MEMBER SINCE

May 1998

VICE CHAIRMAN

Mario X. Sierra
Director – General Services
City of San Diego
1790 B Street, MS 27A
San Diego, CA 92105
(619) 525-8686

April 2005

PRESIDENT

Andrea Skorepa
Chief Executive Officer
Casa Familiar, Inc.
119 W. Hall Avenue
San Ysidro, CA 92173
(619) 428-1115

SECRETARY

Edward Oliva
(Retired)
12845 Shadowline Street
Poway, CA 92064

July 1995

TREASURER

Yolanda Hernandez
Resident of San Ysidro &
Member, Governing Board, San Ysidro School District
4350 Otay Mesa Road
San Ysidro, CA 92173
(619) 454-0758

September 1988



CASA FAMILIAR
A COMMITMENT TO COMMUNITY

CASA FAMILIAR BOARD OF DIRECTORS

NAME (MEMBER SINCE)

Mario Aguilar (September 1988)
Counselor
UCSD-EAOP
9500 Gilman Drive
La Jolla, CA 92093-0305
(858) 534-4250

Judy Atkins-Whittemore (January 1988)
Managing Partner
Architects Bundy & Thompson
715 J Street, Ste 200
San Diego, CA 92101-7136
(619) 231-4929

Kurt Chilcott (September 1988)
President & CEO
CDC Small Business Finance Corp.
2448 Historic Decatur Rd., Suite 200
San Diego, CA 92106
(619) 243-8610

David Bejarano (January 1996)
President
Millenia Security Service
4797 Mercury Street, Suite A
San Diego, CA 92111
(858) 576-1994

Louis R. Escareño, Esq. (July 2001)
Attorney-At-Law
2717 W. Martin
San Antonio, TX 78207-2830
(210) 228-9738

Fred Sotelo (Oct 2005)
President
Tulamedia
2700 Adams Ave., Suite 202
San Diego, CA 92116
(619) 284-2600

Zorn Moran (Nov 2005)
Resident of San Ysidro
148 West Hall Avenue
San Ysidro, CA 92173
(619) 690-5212

Armando Murillo (Jan 2006)
Vice President of Operations
Bonita Pipeline, Inc.
2209 Highland Avenue
National City, CA 91950
(619) 434-9801



000601

Internal Revenue Service

Date: January 22, 2007

CASA FAMILIAR INC
119 W HALL AVE
SAN YSIDRO CA 92173-2514

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:
Ms. Mills 31-08706
Customer Service Representative
Toll Free Telephone Number:
877-829-5500
Federal Identification Number:
23-7237898

Dear Sir or Madam:

This is in response to your request of January 22, 2007, regarding your organization's tax-exempt status.

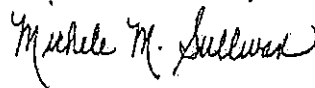
In April 1973 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations 1

000602



Nonprofits' Insurance
Alliance of California
A MEMBER OF THE CALIFORNIA NONPROFIT ASSOCIATION

**CALIFORNIA COMMERCIAL FLEET
AUTOMOBILE INSURANCE CARD**

Company: Nonprofits' Insurance Alliance of California
P.O. Box 8507, Santa Cruz, CA 95061-8507

Verify Coverage With or Report Claim To :
All-Cal Insurance Agency - (800) 841-1776

Insured Name : Casa Familiar
Address : 119 West Hall Avenue
San Ysidro, CA, 92073

Policy Number : 2006-02129
Effective Date : 06/30/2006 Expiration Date : 06/30/2007

Year	Make/Model	Vehicle Identification Number
1996	Ford	1FBJS31G7THA53462

The above company declares that the policy described herein meets the requirements of California Vehicle Code Section 16054.2(b) and is a commercial or fleet policy.

For additional information, contact your agent or broker.

This card must be carried in this vehicle at all times as evidence of insurance and must be produced upon demand.



Nonprofits' Insurance
Alliance of California
A MEMBER OF THE CALIFORNIA NONPROFIT ASSOCIATION

**CALIFORNIA COMMERCIAL FLEET
AUTOMOBILE INSURANCE CARD**

Company: Nonprofits' Insurance Alliance of California
P.O. Box 8507, Santa Cruz, CA 95061-8507

Verify Coverage With or Report Claim To :
All-Cal Insurance Agency - (800) 841-1776

Insured Name : Casa Familiar
Address : 119 West Hall Avenue
San Ysidro, CA, 92073

Policy Number : 2006-02129
Effective Date : 06/30/2006 Expiration Date : 06/30/2007

Year	Make/Model	Vehicle Identification Number
1995	Mazda	4F4CR12AXSTM14393

The above company declares that the policy described herein meets the requirements of California Vehicle Code Section 16054.2(b) and is a commercial or fleet policy.

For additional information, contact your agent or broker.

This card must be carried in this vehicle at all times as evidence of insurance and must be produced upon demand.



Nonprofits' Insurance
Alliance of California
A MEMBER OF THE CALIFORNIA NONPROFIT ASSOCIATION

**CALIFORNIA COMMERCIAL FLEET
AUTOMOBILE INSURANCE CARD**

Company: Nonprofits' Insurance Alliance of California
P.O. Box 8507, Santa Cruz, CA 95061-8507

Verify Coverage With or Report Claim To :
All-Cal Insurance Agency - (800) 841-1776

Insured Name : Casa Familiar
Address : 119 West Hall Avenue
San Ysidro, CA, 92073

Policy Number : 2006-02129
Effective Date : 06/30/2006 Expiration Date : 06/30/2007

Year	Make/Model	Vehicle Identification Number
1987	Volkswagen	WVWCA0157HK007323

The above company declares that the policy described herein meets the requirements of California Vehicle Code Section 16054.2(b) and is a commercial or fleet policy.

For additional information, contact your agent or broker.

This card must be carried in this vehicle at all times as evidence of insurance and must be produced upon demand.

000603



**Nonprofits' Insurance
Alliance of California**
A HEAD FOR INSURANCE ... A HEART FOR NONPROFITS

NONPROFITS' INSURANCE ALLIANCE OF CALIFORNIA
P.O. Box 8507, Santa Cruz, CA 95061
P: (800) 359-6422
F: (831) 459-0853

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

PRODUCER:

All-Cal Insurance Agency
801 Riverside Ave., Suite 105
Roseville, CA 95678

POLICY NUMBER: 2006-02129

RENEWAL OF NUMBER: 2005-02129

NAME OF INSURED AND MAILING ADDRESS:

Casa Familiar
119 West Hall Avenue
San Ysidro, CA 92073

POLICY PERIOD: FROM 06/30/2006 TO 06/30/2007
AT 12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

BUSINESS DESCRIPTION: Various community services

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS
POLICY, WE AGREE WITH YOU TO PROVIDE THE COVERAGE AS STATED IN THIS POLICY.

LIMITS OF COVERAGE:

GENERAL AGGREGATE LIMIT (OTHER THAN PRODUCTS - COMPLETED OPERATIONS)	\$3,000,000
PRODUCTS - COMPLETED OPERATIONS AGGREGATE LIMIT	\$3,000,000
PERSONAL AND ADVERTISING INJURY LIMIT	\$1,000,000
EACH OCCURRENCE LIMIT	\$1,000,000
DAMAGE TO PREMISES RENTED TO YOU	\$50,000 any one premises
MEDICAL EXPENSE LIMIT	5,000 any one person

ADDITIONAL COVERAGES:

SOCIAL SERVICE PROFESSIONAL LIABILITY

AGGREGATE LIMIT	\$1,000,000
EACH OCCURRENCE LIMIT	\$1,000,000

CLASSIFICATION(S) SEE ATTACHED SUPPLEMENTAL DECLARATIONS SCHEDULE G

PREMIUM \$5,055

FORMS AND ENDORSEMENTS APPLICABLE TO THIS POLICY ARE INCLUDED IN COMMERCIAL LINES COMMON POLICY DECLARATIONS

COUNTERSIGNED: 06/15/2006

BY

Samuel C. R.

(AUTHORIZED REPRESENTATIVE)

THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S)
AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

NIAC - GL

(01036)

3-23

000604



NORTH AMERICAN
ELITE INSURANCE COMPANY
650 Elm Street
Manchester, NH 03101-2524
(800) 542-9200

PRODUCER:

All-Cal Insurance Agency
801 Riverside Ave., Suite 105
Roseville, CA 95678

(04026 Z3)

POLICY NUMBER: CWB0000840-04 - 02129

BUSINESSOWNERS PROPERTY POLICY DECLARATIONS

NAME OF INSURED AND MAILING ADDRESS:

Casa Familiar
119 West Hall Avenue
San Ysidro, CA 92073

POLICY PERIOD: FROM: 06/30/2006 TO: 06/30/2007

AT 12:01 A.M.* STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE.

*Exceptions: 12:00 noon in Maine, Michigan, North Carolina and Virginia

BUSINESS DESCRIPTION: Various community services

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS
POLICY, WE AGREE WITH YOU TO PROVIDE THE COVERAGE AS STATED IN THIS POLICY.

(See SCHEDULE A for applicable coverage information & limits)

SECTION I - PROPERTY

POLICY DEDUCTIBLE: \$ 1,000

BUILDINGS

\$3,746

BUSINESS PERSONAL PROPERTY (BPP)

\$844

OPTIONAL COVERAGES:

Optional Coverages/Exterior Building Glass Deductible - \$500

Employee Dishonesty Coverage

\$301

Optional BOP Enhancement Endorsement (NAE-AMS-002)

\$489

Ordinance Coverage

\$284

Terrorism Coverage (Certified Acts):

Not Covered

Exception: Coverage for Certain Fire Losses provided (not optional):

\$16

SECTION II - LIABILITY

N/A (Not Available in this Policy)

TOTAL PREMIUM

\$5,680

FORM(S) AND ENDORSEMENT(S) MADE A PART OF THIS POLICY AT TIME OF ISSUE:

NAE-AMS-DEC/10 02, SCHEDULE A/10 02, NAE-POL-001/09-01, NAE-AMS-009/03 06, NAE-AMS-002/10 02, NAE-AMS-004/10 02,
BP 05 67/01 06, BP0571/05 04, BP 01 55/04 06, BP 04 46/01 06, BP 05 76/01 06, BP 12 03/01 06,

AUTOMATIC INCREASE IN INSURANCE : 4%

COUNTERSIGNATURE USE ONLY

Countersigned at : _____

By: _____

Date : _____

Issuing Office : Santa Cruz
NAE-AMS-DEC (10/02)

Issued Date : 06/15/2006

Page 1 of 3

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000605

NORTH AMERICAN ELITE INSURANCE COMPANY
 BUSINESSOWNERS PROPERTY POLICY
 EXTENSION OF DECLARATIONS
 SCHEDULE A

POLICY NUMBER: CWB0000840-04 - 02129
 AGENCY NAME: Casa Familiar

Loc	Bldg	Coverage	Address	Class Code	Limit	Premium
1	1	Building (Replacement Cost) Business Personal Property Ordinance Coverage - 1	119/121 West Hall Ave. San Ysidro, CA 92173	65132	650,000 40,000 Incl.	1,888 116 284
2	1	Business Personal Property	212 West Park Ave. San Ysidro, CA 92173	41668	2,500	11
3	1	Business Personal Property	268 West Park Ave. San Ysidro, CA 92173	41668	160,000	668
4	1	Building (Replacement Cost)	114 And 114 1/2 A&B W. Hall Ave. San Ysidro, CA 92173	41650	125,000	290
4	2	Building (Replacement Cost)	114 And 114 1/2 A&B W. Hall Ave. San Ysidro, CA 92173	65132	135,000	263
5	1	Building (Replacement Cost) Business Personal Property	122 W. Hall Ave. San Ysidro, CA 92173	65132	250,000 25,000	487 49
6	1	Building (Replacement Cost)	145-147 W. San Ysidro Blvd. San Ysidro, CA 92173	65132	420,000	818
Employee Dishonesty (6 Location(s))					50,000	301
Forgery & Alteration					50,000	Incl.

000606



**Nonprofits' Insurance
Alliance of California**
A HEAD FOR INSURANCE... A HEART FOR NONPROFITS

NONPROFITS' INSURANCE ALLIANCE OF CALIFORNIA
P.O. Box 8507, Santa Cruz, CA 95061

SCHEDULE A - SCHEDULE OF UNDERLYING INSURANCE

POLICY NUMBER: 2006-02129-UMB

CONTROL NUMBER: 02129

NAME OF INSURED: Casa Familiar

TYPE OF POLICY	APPLICABLE LIMITS	INSURER POLICY #	APPLICABLE PERIOD
(A) Automobile Liability Business Auto	Bodily Injury and Property Damage Combined Single Limit \$1,000,000 Uninsured/Underinsured Motorist N/A	NIAC 2006-02129	6/30/2006 TO 6/30/2007 (Does not include: Terrorism Coverage - Certified Acts)
(B) Commercial General Liability	Each Occurrence Limit \$1,000,000 General Aggregate Limit \$3,000,000 Products/Completed Operations Aggregate Limit... \$3,000,000 Personal & Advertising Injury Limit \$1,000,000 Damage to Premises Rented to You N/A (any one premises)	NIAC 2006-02129	6/30/2006 TO 6/30/2007 (Does not include: Terrorism Coverage - Certified Acts)
(C) Social Service Professional Liability	Each Occurrence Limit N/A Aggregate Limit N/A		
(D) Standard Workers Compensation & Employers Liability	Coverage B - Employers Liability N/A Bodily Injury by Accident N/A Each Accident / Bodily Injury by Accident N/A Each Accident / Bodily Injury by Disease N/A Policy Limit N/A		
(E) Improper Sexual Conduct	Each Occurrence Limit N/A General Aggregate Limit N/A		
(F) Directors' And Officers'	Each Wrongful Act Limit N/A Aggregate Limit N/A		
(G) Liquor Liability	Each Common Cause Limit N/A Aggregate Limit N/A		

(01036)

3-26

SD

000607
STATE
 COMPENSATION
 INSURANCE
FUND

POLICYHOLDER COPY

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 07-01-2006

GROUP: 000469
 POLICY NUMBER: 0002175-2006
 CERTIFICATE ID: 17
 CERTIFICATE EXPIRES: 07-01-2007
 07-01-2006/07-01-2007

CITY OF SAN DIEGO
 REDEVELOPMENT AGENCY
 600 B ST 4TH FLR MS 904
 SAN DIEGO CA 92101

SD

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 10 days advance written notice to the employer.

We will also give you 10 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.

James Neary
 AUTHORIZED REPRESENTATIVE

J. Andor
 PRESIDENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

EMPLOYER

CASA FAMILIAR
 119 W HALL AVE
 SAN YSIDRO CA 92173

SD

ATTACHMENT 4

**HOUSING COMMISSION MULTIFAMILY
HOUSING REVENUE BOND PROGRAM****Summary**

General Description: The multifamily housing bond program provides below-market financing (based on bond interest being exempt from income tax) for developers willing to set aside a percentage of project units as affordable housing. Multifamily housing revenue bonds are also known as “private activity bonds” because the projects are owned by private entities, often including nonprofit sponsors and for-profit investors.

Bond Issuer: Housing Authority of the City of San Diego. There is no direct legal liability to the City, the Housing Authority or the Housing Commission in connection with the issuance or repayment of bonds; there is no pledge of the City’s or the Housing Authority’s faith, credit or taxing power. The bonds do not constitute a general obligation of the issuer because security for repayment of the bonds is limited to specific private revenue sources, such as project revenues. The developer is responsible for the payment of costs of issuance and all other costs under each financing.

Affordability: The minimum requirement is that at least 20% of the units are affordable at 50% of Area Median Income (AMI). Alternatively, a minimum of 10% of the units may be affordable at 50% AMI with an additional 30% of the units affordable at 60% AMI. The Housing Commission requires the affordability restriction to be in place for a minimum of 15 years. In practice, projects financed by multifamily housing bonds are affordable for a minimum of 30 years. Bonds may also be combined with other financing sources to create deeper affordability and longer terms of restriction.

Rating: Generally “AAA” or its equivalent with a minimum rating of “A” or, under conditions that meet IRS and Housing Commission requirements, bonds may be unrated for private placement with institutional investors (typically, large banks). Additional security is normally achieved through the provision of outside credit support (credit enhancement) by participating financial institutions that underwrite the project loans and guarantee the repayment of the bonds. The credit rating on the bonds reflects the credit quality of the credit enhancement provider.

Approval Process:

- **Inducement Resolution:** The bond process is initiated when the issuer (Housing Authority) adopts the Inducement Resolution to establish the date from which project costs may be reimbursable from bond proceeds (if bonds are later issued) and to authorize staff to work with the financing team to perform a due diligence process. The Inducement Resolution does not represent a commitment by the

Housing Commission, the Housing Authority, or the developer to proceed with the financing.

- **TEFRA Hearing and Resolution** (Tax Equity and Fiscal Responsibility Act of 1982): To assure that projects making use of tax-exempt financing meet appropriate governmental purposes and provide reasonable public benefits, the IRS Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located (City Council). This process does not make the City financially or legally liable for the bonds or the project.

[Note: It is uncommon for the City Council to be asked to take two actions at this stage in the bond process---one in their capacity as the City Council (TEFRA hearing and resolution) and another as the Housing Authority (bond inducement). Were the issuer (Housing Authority) a more remote entity, the TEFRA hearing and resolution would be the only opportunity for local elected officials to weigh in on the project.]

- **Application for Bond Allocation:** The issuance of these “private activity bonds” (bonds for projects owned by private developers, including projects with nonprofit sponsors and for-profit investors) requires an allocation of bond issuing authority from the State of California. To apply for an allocation, an application approved by the Housing Authority and supported by an adopted inducement resolution and by proof of credit enhancement (or bond rating) must be filed with the California Debt Limit Allocation Committee (CDLAC). In addition, evidence of a TEFRA hearing and approval must be submitted prior to the CDLAC meeting.
- **Final Bond Approval:** The Housing Authority retains absolute discretion over the issuance of bonds through adoption of a final resolution authorizing the issuance. Prior to final consideration of the proposed bond issuance, the project must comply with all applicable financing, affordability, and legal requirements and undergo all required planning procedures/reviews by local planning groups.
- **Funding and Bond Administration:** All monies are held and accounted for by a third party trustee. The trustee disburses proceeds from bond sales to the developer in order to acquire and/or construct the housing project. Rental income used to make bond payments is collected from the developer by the trustee and disbursed to bond holders. If rents are insufficient to make bond payments, the trustee obtains funds from the credit enhancement provider. No monies are transferred through the Housing Commission or the Housing Authority and the trustee has no standing to ask the issuer for funds.

Bond Disclosure: The offering document (typically a Preliminary Offering Statement or bond placement memorandum) discloses relevant information regarding the project, the developer, and the credit enhancement provider. Because the Housing Authority is not

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responsible for bond repayment, there are no financial statements or summaries about the Housing Authority or the City included as part of the offering document. The offering document includes a paragraph that states that the Housing Authority is a legal entity with the authority to issue multifamily housing bonds and that the Housing Commission acts on the behalf of the Housing Authority to issue the bonds. The offering document also includes a paragraph stating that there is no pending or threatened litigation that would affect the validity of the bonds or curtail the ability of the Housing Authority to issue the bonds. This is the extent of disclosure required of the Housing Authority, the Housing Commission, or the City. However, it is the obligation of members of the Housing Authority to disclose any material facts known about the project, not available to the general public, which may have an impact on the viability of the project.

000611

REQUEST FOR COUNCIL ACTION

CITY OF SAN DIEGO

 1. CERTIFICATE NUMBER (FOR AUDITOR'S USE) **334**
4117

TO: CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):
SAN DIEGO HOUSING COMMISSION3. DATE:
February 26, 2007

4. SUBJECT:

PRELIMINARY ITEMS FOR MULTIFAMILY REVENUE BONDS FOR VILLA NUEVA APTS.

5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.)

PETER ARMSTRONG 578-7556 49-N

6. SECONDARY CONTACT (NAME, PHONE, & MAIL STA.)

Cissy Fisher 578-7585 49N

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

☐

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND					9. ADDITIONAL INFORMATION / ESTIMATED COST:
DEPT.					COSTS OF CITY ATTORNEY'S REVIEW TO BE CHARGED TO OUSA #346
ORGANIZATION					
OBJECT ACCOUNT					
JOB ORDER					
C.I.P. NUMBER					
AMOUNT					

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIG. DEPT - SDHC DIR. CISSY FISHER	<i>Cissy Fisher</i>	2/26/07	8	DEPUTY CHIEF	<i>J. L. W.</i>	3/2/07
2	DDO PHILIPS SDHC EXEC. VP. 1-000 CAROL YAGCIHAN	<i>Carol Yagcihan</i>	2/26/07	9			
3				10	CITY ATTORNEY	<i>Paul Virel</i>	4/3/07
4				11	ORIG. DEPT		
5				DOCKET COORD: _____ COUNCIL LIAISON _____			
6				<input checked="" type="checkbox"/>	COUNCIL PRESIDENT	<input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input checked="" type="checkbox"/> ADOPTION	COUNCIL DATE: 4/17/07
7					REFER TO: _____		

11. PREPARATION OF: ☒ RESOLUTIONS ☐ ORDINANCE(S) ☐ AGREEMENT(S) ☐ DEED(S)

CITY COUNCIL HOLD A PUBLIC HEARING AND ADOPT A RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS BY THE HOUSING AUTHORITY FOR UP TO \$45 MILLION FOR VILLA NUEVA APARTMENTS.

11A. STAFF RECOMMENDATIONS:

ADOPT THE RESOLUTION.

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): 8 (HUESO)COMMUNITY AREA(S): SAN YSIDRO

ENVIRONMENTAL IMPACT: THE PROJECT IS CATEGORICALLY EXCLUDED FROM THE REQUIREMENTS OF THE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) PURSUANT TO THE APPLICABLE PROVISIONS OF NEPA 24CFR PART 58, SECTION 58.35(A)(3). THE PROJECT IS ALSO CATEGORICALLY EXEMPT FROM THE PROVISIONS OF THE CALIFORNIA ENVIRONMENT QUALITY ACT (CEQA) PURSUANT TO SECTION 15301 OF THE CEQA GUIDELINES.

HOUSING IMPACT: THE PROJECT WILL REHABILITATE AND PRESERVE 390 AFFORDABLE HOUSING UNITS.OTHER ISSUES: THE HOUSING COMMISSION WILL HEAR THIS ITEM ON MARCH 2, 2007.CITY CLERK INSTRUCTIONS: PLEASE PROVIDE A CERTIFIED COPY OF RESOLUTION, INCLUDING VOTING SHEET, TO PETER ARMSTRONG, MS 49-N.

THERE IS A HOUSING AUTHORITY COMPANION FOR THIS ITEM.

REPORT TO THE CITY COUNCIL

EXECUTIVE SUMMARY SHEET

DATE REPORT ISSUED: February 26, 2007 REPORT NO: HAR 07-006
 ATTENTION: Council President and City Council
 For the agenda of March 20, 2007
 ORIGINATING DEPARTMENT: San Diego Housing Commission
 SUBJECT: Preliminary Bond Items for Villa Nueva Apartments
 COUNCIL DISTRICT(S): District 8
 STAFF CONTACT: Cissy Fisher (619) 578-7585

Please note: There is a Housing Authority companion for this item.

REQUESTED ACTION:

Take the initial steps to issue Housing Authority mortgage revenue bonds to fund the acquisition and rehabilitation of the 390-unit Villa Nueva Apartments. Borrower would acquire and rehabilitate the property and restrict rents below market; issuance of bonds and a proposed loan would require Housing Authority approval at a later date.

STAFF RECOMMENDATION:

City Council hold a public hearing (*known as a TEFRA hearing - Tax Equity and Fiscal Responsibility Act*) and adopt a resolution approving the issuance of tax-exempt bonds in an amount up to \$45 million by the Housing Authority for Villa Nueva Apartments located at 3604 Beyer Boulevard in the City of San Diego.

EXECUTIVE SUMMARY:

Villa Nueva is an existing 390-unit affordable housing development located at 3604 Beyer Boulevard in San Ysidro. The project was built in 1970 and consists of 32 buildings on 14 acres. Villa Nueva contains 90 two-bedroom units, 264 three-bedroom units, 36 four-bedroom units, and 406 on-site parking spaces.

Villa Nueva has been owned and operated for over 35 years by Villa Nueva Inc., a non-profit organization established by the Order of St. Augustine of the Catholic Church. The project has a project-based Section 8 contract that expires as of June 30, 2007, but is subject to annual renewal with the Department of Housing and Urban Development ("HUD"). In addition, the project has a HUD-insured mortgage that matures in October 2010.

Under the proposed financing, Villa Nueva would restrict 10% of its units at 50% Area Median Income (AMI) (\$34,500 for a family of four), with the remaining 90% restricted at 60% (AMI) (\$41,400 for a family of four). In addition to the set-asides noted above, as part of the proposed transaction, a 20-year HAP contract will be obtained from HUD, assuring that the property remains affordable to the lowest income residents. Three units will be reserved for on-site managers and will not be occupancy restricted.

The \$45 million allocation that will be sought from CDLAC is approximately 20% higher than the amount for which the project is currently being underwritten (\$35.6 million). The developer has requested this cushion to account for possible increases in the bond amount due to increases in construction costs or decreases in the assumed interest rate. The bond amount that is ultimately issued will be based upon project costs, revenues, and interest rates at the time of bond issuance.

The total development cost of the project is estimated to be approximately \$71 million. Preliminary sources of funding include housing revenue bonds (\$35.6 million), federal tax credits (\$21.3 million), income during rehabilitation (\$4,000,000), a deferred developer fee (\$500,000), and a proposed Housing Commission loan (\$9,600,000) which is currently being analyzed by staff and would require future approval by the Housing Authority.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions do not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On February 20, 2007, an informational item was presented to the San Ysidro Planning and Development Group on the proposed acquisition and rehabilitation of the project. In addition, the development team is working with residents to minimize the impacts of the proposed project.

ENVIRONMENTAL REVIEW:

This project is categorically excluded from the requirements of the National Environmental Policy Act (NEPA) pursuant to the applicable provisions of NEPA 24CFR Part 58, Section 58.35(a)(3)(ii). The project is also categorically exempt from the provisions of the California Environment Quality Act (CEQA) pursuant to section 15301 of the CEQA guidelines.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very low and low income families who currently reside at Villa Nueva are stakeholders. Steadfast and Casa will acquire and rehabilitate the project. The seller of the property is Villa Nueva Inc., a non-profit organization established by the Order of St. Augustine of the Catholic Church. The tax credit investor and mortgage lender(s) have not yet been selected. The Housing Commission has selected Public Financial Management and Quint and Thimmig LLP to assist in preparing the proposed financing.

Respectfully submitted,



Cissy Fisher
Director of Housing Finance & Development

Approved by



for Elizabeth C. Morris
President & Chief Executive Officer

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION PURSUANT TO SECTION 147(f) OF THE
INTERNAL REVENUE CODE OF 1986 APPROVING THE
ISSUANCE OF BONDS BY THE HOUSING AUTHORITY
OF THE CITY OF SAN DIEGO FOR THE VILLA NUEVA
APARTMENTS.

WHEREAS, the Housing Authority of the City of San Diego [Authority] adopted a
resolution that constituted a declaration of official intent of the Authority to issue not to exceed a
total of \$45,000,000 aggregate principal amount of multifamily housing revenue bonds [Bonds]
to finance the acquisition and rehabilitation of approximately 390 units of multifamily rental
housing located at 3604 Beyer Boulevard in the City of San Diego, known as Villa Nueva
Apartments, as described in the form of notice of public hearing attached as Exhibit A [Project];
and

WHEREAS, in order for interest on the Bonds to be tax-exempt, Section 147(f) of the
Internal Revenue Code of 1986, as amended [Code], requires that issuance of the Bonds by the
Authority be approved by the City Council of the City of San Diego [City] as the applicable
elected representative with respect to the Authority, after a public hearing regarding the Bonds
following reasonable public notice; and

WHEREAS, notice of a public hearing with respect to the proposed issuance of the
Bonds was published in a newspaper of general circulation in the City on April 2, 2007; and

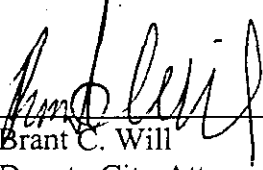
WHEREAS, a public hearing with respect to the proposed issuance of the Bonds was
held by the City Council on April 17, 2007 and, at the public hearing, an opportunity was
provided for interested persons to express their views on the issuance of the Bonds and on the
nature, location and operation of the Project; NOW THEREFORE,

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BE IT RESOLVED, by the City Council of the City of San Diego that this City Council, as the applicable elected representative with respect to the Authority under Section 147(f) of the Code, approves the issuance of the Bonds by the Authority for the purpose of financing the Project.

BE IT FURTHER RESOLVED, that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By: 
Brant C. Will
Deputy City Attorney

BCW:jdf
03/29/2007
Or.Dept:HA
R-2007-960
Companion: HA-2007-40

000617

(R-2007-960)

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

REPORT TO THE CITY COUNCIL

EXECUTIVE SUMMARY SHEET

DATE REPORT ISSUED: February 26, 2007 REPORT NO: HAR 07-006
 ATTENTION: Council President and City Council
 For the agenda of March 20, 2007
 ORIGINATING DEPARTMENT: San Diego Housing Commission
 SUBJECT: Preliminary Bond Items for Villa Nueva Apartments
 COUNCIL DISTRICT(S): District 8
 STAFF CONTACT: Cissy Fisher (619) 578-7585

Please note: There is a Housing Authority companion for this item.

REQUESTED ACTION:

Take the initial steps to issue Housing Authority mortgage revenue bonds to fund the acquisition and rehabilitation of the 390-unit Villa Nueva Apartments. Borrower would acquire and rehabilitate the property and restrict rents below market; issuance of bonds and a proposed loan would require Housing Authority approval at a later date.

STAFF RECOMMENDATION:

City Council hold a public hearing (*known as a TEFRA hearing - Tax Equity and Fiscal Responsibility Act*) and adopt a resolution approving the issuance of tax-exempt bonds in an amount up to \$45 million by the Housing Authority for Villa Nueva Apartments located at 3604 Beyer Boulevard in the City of San Diego.

EXECUTIVE SUMMARY:

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Villa Nueva has been owned and operated for over 35 years by Villa Nueva Inc., a non-profit organization established by the Order of St. Augustine of the Catholic Church. The project has a project-based Section 8 contract that expires as of June 30, 2007, but is subject to annual renewal with the Department of Housing and Urban Development ("HUD"). In addition, the project has a HUD-insured mortgage that matures in October 2010.

Under the proposed financing, Villa Nueva would restrict 10% of its units at 50% Area Median Income (AMI) (\$34,500 for a family of four), with the remaining 90% restricted at 60% (AMI) (\$41,400 for a family of four). In addition to the set-asides noted above, as part of the proposed transaction, a 20-year HAP contract will be obtained from HUD, assuring that the property remains affordable to the lowest income residents. Three units will be reserved for on-site managers and will not be occupancy restricted.

The \$45 million allocation that will be sought from CDLAC is approximately 20% higher than the amount for which the project is currently being underwritten (\$35.6 million). The developer has requested this cushion to account for possible increases in the bond amount due to increases in construction costs or decreases in the assumed interest rate. The bond amount that is ultimately issued will be based upon project costs, revenues, and interest rates at the time of bond issuance.

The total development cost of the project is estimated to be approximately \$71 million. Preliminary sources of funding include housing revenue bonds (\$35.6 million), federal tax credits (\$21.3 million), income during rehabilitation (\$4,000,000), a deferred developer fee (\$500,000), and a proposed Housing Commission loan (\$9,600,000) which is currently being analyzed by staff and would require future approval by the Housing Authority.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions do not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On February 20, 2007, an informational item was presented to the San Ysidro Planning and Development Group on the proposed acquisition and rehabilitation of the project. In addition, the development team is working with residents to minimize the impacts of the proposed project.

ENVIRONMENTAL REVIEW:

This project is categorically excluded from the requirements of the National Environmental Policy Act (NEPA) pursuant to the applicable provisions of NEPA 24CFR Part 58, Section 58.35(a)(3)(ii). The project is also categorically exempt from the provisions of the California Environment Quality Act (CEQA) pursuant to section 15301 of the CEQA guidelines.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very low and low income families who currently reside at Villa Nueva are stakeholders. Steadfast and Casa will acquire and rehabilitate the project. The seller of the property is Villa Nueva Inc., a non-profit organization established by the Order of St. Augustine of the Catholic Church. The tax credit investor and mortgage lender(s) have not yet been selected. The Housing Commission has selected Public Financial Management and Quint and Thimmig LLP to assist in preparing the proposed financing.

Respectfully submitted,



Cissy Fisher
Director of Housing Finance & Development

Approved by



for Elizabeth C. Morris
President & Chief Executive Officer